密勒氏評論報

THE WEEKLY

REVIEW

OF THE FAR EAST

Formerly Millard's Review

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THE POSITION OF THE CHINESE delegates at Washington today is calculated to move the Chinese who think about such things to serious reflection. If the Chinese delegates had gone to Washington with a united country behind them, if these delegates had been able to free themselves from the weight of domestic problems and had given themselves completely and with singleness of purpose to the battle for the preservation of their country, great things might have been accomplished. It will take a long and hard fight to prevent the loss of independence and integrity on China's part from being carried further. It will take a longer and a harder fight to win back for China the independence and integrity she has lost. China was, in a fairly good position, from the international viewpoint, after the making of the Versailles Treaty to begin this fight. The Washington Conference offered her a favorable chance to carry it forward. She seems to be losing this chance because she cannot present a united front and because the men in power cannot be brought to see the plain fact that it pays to stand together.

BUT China's battle to end imperialistic aggression with Shantung is more than China's battle. The failure of China means more than the failure of China. It may mean war in the Far East and for this reason no nation can look on entirely unmoved and see the Chinese delegation defeated. It it is true, as the newspapers say, that the Chinese delegates find themselves faced with the results of secret negotiations at Peking, what will they do? At first glance there seems but one thing for them to do and that is to resign. This obvious course has many disadvantages, however. The Chinese delegates are in Washington and they have a chance to get at the representatives of the other nations assembled there. They had a divided country behind them when they went and the public exposition of this fact cannot put them in a much more hopeless position. They may as well stay on in Washington and do what they can for China's cause. What they can do is plain. They can now take the Shantung question to the floor of the Conference and make it known on the floor of the Conference just where they stand and where the great majority of their countrymen stand on the matter. If a little publicity has put them into a hopeless position a little more publicity may put their opponents into a position still more hopeless. Let the Chinese de-

legates now make a clear and vigorous effort to put the whole of China's case in relation to the Shantung Question and the Twenty-One Demands before the Washington Conference and they will be doing their countrymen and the world a service before the Conference closes. Mr. Hanihara, of the Japanese delegation, evidently fears something of this kind for the latest telegrams bring the information that he is telling the Chinese what will happen to them if they make any such attempt. We quote the *Trans-Pacific-China Press News Service*: "Hanihara has asserted that if China brings up the Shantung Question before the full Conference Japan will withdraw the concessions already made and will insist upon the holding of the railway in accordance with the terms of the Versailles Treaty." We refrain from comment upon the probable effect that such action on the part of the Japanese will have upon the success of the Four Power Agreement in getting through the Senate. We desire to direct the attention to the fact that Japan is trying to prevent the one useful service to China that the Chinese delegation may still perform. If China's delegates find that the Shantung Question is removed from the field of their negotiation by a secret agreement between the two countries entered into at Peking and if they find that after this they are required hold their peace on the matter at the general session of the Conference, they will then be doubly defeated. If, on the other hand, the Chinese delegates at Washington can expose to the sight and the judgement of the world the plight in which they have been placed if they can give every delegate at Washington a clear view of the probable consequences of continued aggression in China, they may be defeated for the present but they will be preparing for the future. And the Conference cannot refuse them the opportunity for every delegate at the Conference knows that the problem of the Pacific is the problem of China, just as every delegate appreciates that continued attack upon the territorial integrity of China means anything but peace. This would be true if China uttered no single word of protest. America and England know that aggression in China cannot go on. Let the Chinese delegates speak out. They have nothing to lose by silence; they may win much for the future.

IT IS INTEREST ALWAYS to note in these days of political confusion in China that commerce and education are progressing. Perhaps in no other country in the world is there such a loose and elastic connection between the governmental affairs of the nation and its business men. China's development in cotton spinning and weaving, flour milling and in many other industries has been unhampered by governmental conditions, except in so far as funds advanced for the purchase of loan bonds and for levies of the warlords have been taken out of legitimate business and industrial pursuits. The manufacturers and the merchants are apparently indifferent to the government except in their gossip with their fellow countrymen, or foreigners, and in those small ways in which the government effects them either for good or bad. They make their plans and carry them through, going through the formality of registering their companies with the Ministry of Commerce and Agriculture, but letting the matter drop there. Just now the industralization of the small city of Woosung, near Shanghai, is being carried on in an unpretentious way with two large cotton mills, a machine works, and a large projected sugar refinery, looking forward to the eventual establishment of a manufacturing and shipping center, purely Chinese, at the junction of the Whangpoo and Yangtsze rivers. Foreign manufacturers unfamiliar with events in China are unable recognize this condition. They see a constant menace, that is apparently no bugaboo to the Chinese merchant, in the unsettled condition of the country governmentally and decide to wait until "things become more stable."

IT is a sad commentary upon the merchants and manufacturers of China to show that such a condition exists. It would seem that in the ordinary course of events the commercial and financial interests would, as good citizens, not only try to assist the country by modern industrial development but would also put their shoulder to the wheel governmentally. The argument has been advanced that the merchants and manufacturers are unorganized, that they are building a foundation first upon which to later enforce their demands for a united country and an honest government. But this argument does not take into consideration the procrastination of the Chinese merchants and their non-constructive attitude with regard to their nation. They are apparently working on the theory that if given enough rope the scheming and grafting politicians will hang themselves but they do not realize the mess that will have to be cleaned up after the hanging. China's hope—and there are some who would even question this—seems to lie in the awakening of her middle and merchant classes. This would necessitate the throwing off of the present attitude of meek submission and garroulous indifference and the assuming of an active part in national affairs. China has a bad name governmentally in all nations of the world. Almost anything is expected of the various ruling factions and the country is being injured in countless ways because of this lack of trust. Little or nothing is known of China's advancements in commerce and education and nothing is done upon the part of the Chinese to let the world know that a part of the nation, at least, is progressing in a modern way.

THE excuse that "the time is not ripe" is another subterfuge in sparring for release from the duties of good citizenship. No honest man desires to become a governmental official, because of the consequent loss of reputation and of position. However, this condition cannot last. If China is to become a world power she must be getting under way, offorts must be made upon the part of the financial and commercial interests, who are directing the industrial and educational development, to make this possible and the middle class must be enlisted. Many of China's critics have styled her a beggar in the international conferences of the world, seeking always for someone to right her wrongs, to support her financially and otherwise assist her. They have sufficient grounds for this criticism. If China's weakness was one of an unimpeachable nature, one so inherent as to be overpowering, then China might be excused. But this nation, which was once the world's greatest empire, has no legitimate excuse for not endeavoring, at least, to bring about unification, cooperation, and governmental honesty. China is in her present deplorable condition because of the indifference of her enlightened and honest peoples. Until this class assumed its now shirked responsibilities matters may be expected to go from bad to worse.

The Quadruple Agreement —Conference Comment

BY J. B. POWELL

THE scrapping of the Anglo-Japanese Alliance and the formation of a four-power treaty in which America, Great Britain, France and Japan agreed to mutually respect their rights in relation to their insular possessions and insular dominions in the Pacific Ocean, all of which took place at the plenary session of the Conference on Limitation of Armament on Saturday, December 10, marked the first definite accomplishment of the international gathering. This might be explained as the first reality of the Conference, and the importance of the accomplishment may be gaged from comment immediately following the announcement to the effect that the Conference might end by Christmas or at the latest the last of January, 1922. Japan's ultimate agreement to the Hughes naval reduction program of 5-5-3, the agreement of all nations at the Conference, China, of course, included, to another understanding or treaty establishing the sovereignty, independence and administrative integrity of China may all be matters of record before these lines appear in print.

In view of these factors which point toward the ultimate success of the Conference in a far greater measure than anyone expected at the beginning, it might be of some interest to discuss here the status of China and the United States at this point-that is, the new era which is ushered in by the abrogation of the Anglo-Japanese Alliance. Immediately after the close of the plenary session, at which the foregoing events took place, one of China's delegates was asked his impressions:

"Well, it looks as though John Bull has obtained a divorce from Madame Butterfly, and I am sure the news will be well received in China," he replied.

One of the technical experts attached to the American delegation, when asked his impressions regarding the abrogation of the Anglo-Japanese Alliance, expressed himself thus:

"It should now be possible for America and Great Britain to unify their diplomacy in the Far East and the ultimate result will be of inestimable benefit to both countries as well as to China. I will not prophecy that America and Great Britain will coordinate their diplomacy in the Far East, but the largest single obstruction to coordination has been removed."

Chinese opinion, as expressed by China's official and unofficial spokesmen in Washington in reference to the Conference, is now pretty definitely divided into four camps. These four divisions were recently well described by Dr. John Dewey in an article in the *Baltimore Sun*:

> I fancy there are four parties in Chinese sentiment, leaving out of account any attempt to use the Conference for internal political purposes. One pins itself to the United States to such an extent that its hopes are unbounded. It says, in effect, that Wilson took Shantung away from China at Versailles and Harding is going to get it back at Washington.
>
> Another party wants, of course, good results, but is hopeful of nothing. A letter from one of the most distinguished leaders of intellectual China says that he had just made a public speech in which he warned his audience that China was due for a great shock, a great disappointment. This group is out of politics and is opposed to all existing political factions. They insists upon the need of internal reforms and are firmly convinced that when they are attained Japan cannot stand against China, and that other nations will be obliged to give up their wrongful possessions and practices.
>
> A third group, largely educated abroad, many as students of political science, are ardent nationalists. They have learned to talk about sovereignty. They are actively interested in such topics as extra-territoriality and foreign municipal concessions in China. The freeing of China from foreign legal interferences is their chief aim.
>
> The fourth and largest party, in my opinion, consists of those who will measure the failure or success of the Conference by what happens with reference to the 21 demands and Shantung. They don't care so much for postoffices, customs, consular courts, etc., which they regard as minor matters in comparison with the main issues.

Although the abrogation of the Anglo-Japanese Alliance and the formation in its place of a four-power agreement in respect to the Pacific is considered a long step in the right direction, this naturally does not settle China's case, and the ultimate results of the Conference still depend upon China and the solution of her difficulties. In the first place, it should be thoroughly understood that the Four-Power Treaty, which was signed by the delegates from the United States, Great Britain, France and Japan, and concurred in by China, Netherlands, Belgium and Portugal, can not become binding upon the United States until it has been ratified by the United States Senate. It must also be understood further that President Harding is not likely to attempt to carry out the naval armament limitation proposal of Secretary Hughes without the consent of Congress. Thus Congress is yet to be heard from on two distinct points: Limitation of naval armament and the Four-Power Agreement, with the possibility of a third proposal, whereby all the Powers enter an understanding on the China question. And in order to get the approval of Congress on these all important points, it becomes necessary that China's case be settled and settled properly. This naturally makes it necessary for the Conference not only to deal justly with China, but also to provide an agreement for all the Powers at the Conference which will include China and be satisfactory to China. And this naturally brings up the question as to what would be "satisfactory" to China and how far the American government and the other governments will go in providing "satisfaction" for the Republic of China.

To the outsider, whose knowledge of the inside workings of the Conference are based entirely upon the newspaper reports and the various propagandas, the Conference has progressed smoothly thus far—but outside of the abrogation of the Anglo-Japanese Alliance, which wasn't on the agenda at all, the Conference hasn't accomplished much for China, although it has innumerable things of tremendous importance to her under consideration and on the road to a settlement. Any speculation regarding the final outcome of the Conference from China's standpoint always leads to the speculation as to how far Secretary Hughes will be willing to go and how far Great Britain and the other Powers will be willing to go in backing him up in his stand. Washington has its quota of pessimists as well as its optimists. Before the Conference opened speculation had it that this would be another Paris. Then Secretary Hughes on the very first day electrified the world with his radical naval limitation proposal and the pessimists were for the moment hushed. "But he will go no further," they said. Then Secretary Hughes went further and the Conference actually delved into the Far Eastern mess that makes up the China question. Vital matters affecting the sovereignty of China were brought up, "but they will never be settled," said the pessimists. Then came China's Ten Points, to be immediately followed by the Root Principles. "The Conference will adopt high sounding principles and then adjourn, leaving China in the grip of the *status quo*," said the tearful ones.

It isn't necessary to enumerate the actual accomplishments of the Conference thus far in the settlement of China's problems, since they have long ere this been cabled to the Chinese and foreign press of the Far East. Dr. Sze, Chinese Minister to the United States and chairman of the Chinese delegation, in an address before a newly formed China Club in Washington. D. C. on the evening of December 14 enumerated the following actual accomplishments of the Conference up to that point as follows:

(a) The declaration of China's position in the form of Ten Principles covering her position as an independent nation.
(b) The declaration of the Powers (Root Principles) to respect the sovereignty, independence and administrative integrity of China and to observe among themselves the principle of fair and equal opportunity.
(c) Establishment of machinery for investigating and recommending methods for the abolition of extraterritoriality.
(d) Establishment of China's just rights as a neutral in the event of future wars in the Far East.
(e) Assent of the Powers to an understanding that they will not enter into any treaty or agreement which would infringe upon the sovereignty, independence and administrative integrity of China.
(f) Agreement of the Powers to remove from Chinese soil the foreign post offices in China, the date of the removal to be January 1,1923.

In referring to the Shantung question, the Chinese Minister reported that "conversations" on this subject were proceeding between the Chinese and Japanese delegates with American and British expert observers present and acting as mediators. The results of these conversations are to be reported back to the general Committee on Far Eastern Affairs and that body will be asked to take official note of the results. The kernel of the Shantung question, or in other words the disposition of the Kiaochow-Tsinanfu railway, is still in the form of a deadlock, with prospects of China ultimately getting control of the road but at an exorbitant price.

Many other questions affecting China's status as a nation are still in the hands of the general Committee on Far Eastern Affairs, of which China is a member. As the various details are settled by the general committee they are referred to the drafting committee upon which China has the able assistance of Dr. Wellington Koo, Minister to Great Britain and delegate to the Conference. The drafting committee not only has the power of drafting, but also of discussion and recommendation.

It is freely predicted in Washington at this time (December 14) that the Shantung question will be settled to China's satisfaction, but those who do the predicting, make the statement with a reservation on Manchuria. "Manchuria is the question, that will prove the real test of the Conference. Japan never will consent to get out of Manchuria and the Conference will not have the power to force her out;" is the usual view. In referring to the problem of Manchuria, Dr. Sze, in the same address referred to above, stated that China's position on the Manchuria question was no different from her position on the rest of China and he emphasized an official report on China's position in respect to Manchuria which had been delivered to the general Committee on Far Eastern Affairs, by Dr. Koo on December 7. In referring especially to Japan's contentions that she had to be assured of supplies from Manchuria, Dr. Sze stated that China had no desire of restricting the exportation of supplies from Manchuria or any other part of China to any outside nation, but that she wanted those supplies for export purposes to go through regular channels that are open to all on an exact basis of equality. From the standpoint of exportations of food supplies and similar materials, in his opinion, China's own vital needs must be her first consideration and after that her chief interest was in an open selling market. He referred to the presence of foreign troops in China and similar infringements upon the sovereignty of the country which have no treaty or contractual basis, and to spheres of influence and other matters such as the Twenty-one Demands which are before the general Far Eastern committee. China's chief spokesman then summed up under three headings the position of the Chinese delegates:

1 - China desires the free exercise of those sovereign rights which are essential to the political life and economic welfare of any independent state.
2—China desires to place her international relations on a just basis or footing of equality and impartiality with the other nations of the world.
3—China aims to exert her influence toward the removal of present cause of differences and to prevent as far as possible future misunderstandings in order that China may assume her obligations to mankind in the promotion of international peace.

Most of the discussions pertaining to China's position in the Conference in general all come back to Secretary Hughes. Thus far he has not indicated to anyone his position in respect to China, outside of his original re-enunciation of the Open Door on the day preceding the issuance of the call for the Conference on Limitation of Armament. Perhaps the best analysis of Secretary Hughes mind on the whole subject of the Conference, or at least the best analysis that has come to the writer's attention, appeared in an article in the *New York Times* for December 11, by a correspondent who for many years has been a close student of American politics:

The Secretary's (Mr. Hughes) guiding rule in this conference, which leads him to keep it from the greater realities, appears to be that President Wilson failed at Paris because he tried to do too much. Mr. Hughes determined not to attempt too much. He should aim not at disarmament, to which the ex-President aspired, but at a limitation of armament. He would restore the navies to substantially their strength before the war, ridding the world of the extra burden which preparation for that struggle imposed upon it, making the reductions so as to preserve their relative fighting power unaltered. He would take the nations as they were, not as they should be. He would seek not peace, the ideal, but an armed truce, the practical.

In the Far East he would return to the legal *status quo*; whatever was established by treaty should remain, unless the nations concerned voluntarily relinquished it. Against what had no basis of right or treaty, the pressure of American public opinion should be exercised.

He warned the country over and over again before the conference met not to expect too much. Men wondered why. It is plain now. He was not going to ask too much.

He has clung to his program. He has not been carried away by the clamor over his dramatic approach to reductions of naval armaments. He is still asking only for what, after a careful study of facts, he felt he might reasonably count upon obtaining. What he seeks is small compared to the world's needs.

From this position he has not budged. Neither popular excitement, nor Mr. Harding's emotion, nor the Japanese resistance to his ratio has moved him. The inflexibility of Mr. Hughes is the inflexibility of a lawyer who has worked up his case and sticks to it, expecting to win a decision.

I think I have said repeatedly that Mr. Hughes is not an idealist. He isn't. He is lawyer who sits down with the

facts and the principle and applies them and becomes rigid about their application.

His principle in this conference is that of the lawyer who says, "I might win a famous decision for my client in this case by attacking the constitutionality of the law. I might; but I can surely win for him on a demurrer." It is "One thing at a time" or "Great oaks from little acorns grow" or some other bit of proverbial wisdom like that.

I heard him say recently. "I care less about what is accomplished at this conference than I care about the spirit that prevails in it." Mr. Hughes desires to start international cooperation, and believes he can start it best by suggesting to nations only what they are perfectly willing to do, such as scrapping their superfluous means of aggression upon each other, whether in the Orient or on the high seas.

Mr. Hughes is the faithful servant who puts his talent out and gains one talent with it. There isn't a man in the world today who would put his talent out internationally to gain ten talents, so Mr. Hughes is a great man. He has the gift for staging well the gaining of his one talent, which adds to his stature.

Maybe he will later put his two talents out and make them four. Mr. Harding thought for a moment that by some alchemy they would become ten before men had time to count them. Mr. Hughes doesn't.

Mr. Hughes is the physician who is teaching a paralyzed child how to walk. He laboriously instructs it to take one step. He does not instantly see it running, jumping and dancing. He is vigorous about his method of instruction.

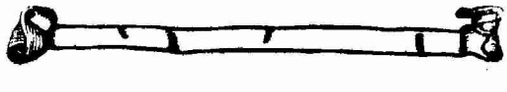
It is a long road from what Mr. Hughes is doing to getting the world back to work. Perhaps the nations will travel the circuitous route of minor realities to the great reality. But they like their fictions exceedingly well. Mr. Wilson found this out at Paris.

Perhaps. Mr. Hughes has waited his opportunity—the time, the place, the moment for the greatest international conference ever known. The mood in Washington, after Paris, is, extraordinary. "It seems," said H. G. Wells to me, "like a great international revival meeting." The mood may never return.

Anyway, Mr. Hughes has put out his one talent and gained one talent. He is a faithful servant. He is a great man. "Very," or more than one, may be added to this last sentence, according to taste and judgment.

It occurs to the writer that the foregoing analysis is a very sensible view of the present situation. Surely it would be asking too much of this modern world at the present stage of human development—which is not very far above the jungle stage, if we are to judge from the recent world war—if we expected all wrongs to be righted at the Washington Conference. China's great accomplishment in this Conference has been in the fact that she has had an opportunity to air her grievances and lay them before the public opinion of the world. Many of her external troubles will be righted here and now, but the most vital ones will have to be righted at future conferences or by China herself through her own rapidly developing power of public opinion and industrial development of her own land. The close of this Conference starts a new era for China in her relations with Japan and the rest of the nations. She will emerge from this Conference with a new hope that should inspire her to greater effort toward internal developments and the marshaling of her resources of man power and materials, so that outside nations who desire to be on good terms with her will have to watch their Far Eastern steps in the future. China was invited to participate in this Conference as a *nation* and her delegates have the same powers as the representatives of the other nations in appealing to the public opinion of the world which is interested in justice and not in the theory of force. Secretary Hughes expressed this well when he said.

"I care less about what is accomplished at this conference than I care about the spirit that prevails in it."



Principal Events in And About China in 1921

BY HOLLINGTON K. TONG

CHINA, heavy-hearted, has just dragged herself through the most trying year of 1921, only to be confronted with the same complicated domestic and international problems. Gloom and misgivings attended the birth of the new year, and the coming twelve months appear destined to be more eventful and more trying for this unfortunate country. The future certainly is far from promising and the Chinese chronical crisis contains a very slight possibility of coming to a definite issue either to the woe or the blessing of the people within the next three hundred and sixty days. The four hundred million Chinese are groping in darkness and the hope that the dawn which will soon approach will lighten the national burden they are shouldering and make their stumbling upon one stone after another perhaps more endurable.

It is with a sigh of relief that China has left 1921 behind. Last year was one of the worst since the establishment of the Republic. It was distinguished by a few outstanding events of epoch-making nature. These events were China's participation at the Washington Conference, the organization of the Bankers' Association, to play an important part in national affairs, and the saving of the Bank of China and the Bank of Communications from the recent threatened bankruptcy. There were other events which might be considered as of equal importance but they were of less interest to the people, and of little or no concern to them. Dr. Sun Yat-sen's expedition against the North, and the Northern campaign against the South, for instance, might be classified as one of them, but the Chinese masses, having heard so much in the past about such military campaigns and found so little bloodshed on the battlefields, have totally lost interest in them.

Politically, China was no nearer to a national unity in 1921 than in the preceding years. Dr. Sun and General Chen Chung-ming, leaders at Canton, had refrained from making any endeavor to unify the country, while the Peking government, supported by General Chang Tso-ling, the Mukden war lord, and General Tsao Kun, High Inspecting Commissioner of Chihli, Honan and Shantung, exhibited an attitude of supine indifference to their political opponents. The Yangtse Tuchuns made few attempts to mediate, but they were not successful. The most important of them lost his position through mediation. General Wang Chan-yuan has ever regretted that he had devoted too much time to high politics and consequently lost his Hupeh Tuchunship.

Financially, the government was at its low ebb. It is a wonder that it was able to tide itself over the New Year. The majority of the one million and a half soldiers in the various armies of the nation had not been paid for periods ranging—from two to ten months. Still to keep them quiet required much tact and diplomacy on the part of Peking. Peking officials in the different departments were in a similar deplorable situation, when the year 1921 came to an end. Many of them, after using up their scant savings, had to pawn jewelery and other valuable artjcles in order to live. Everywhere one goes, one finds vacant houses. Small officials have left Peking to seek a livelihood elsewhere. Big officials have given up big residences for smaller quarters. How could they expect to obtain pay from a government, which was obliged to let a number of Chinese and foreign loans go into

default? While there was a general financial stringency and a consequent business depression, the gambling spirit of the public ran high, as is shown in the mushroom growth of stock and goods exchanges in 1921. At Shanghai alone, 140 exchanges were established during the last twelve months. They dealt in all kinds of goods and stocks and shares. With the exception of a few, they were losing propositions. They constituted but one form of gambling, and as such, the Ministry of Agriculture and Commerce was reluctant to issue to them official permits.

For General Wu Pei-fu the passing year has been profitable. A year and a half ago he was pushed into the public limelight as a result of his defeat of the Anfu force in several unequal combats. Although the masses then recognized him as the coming leader of China, the Mukden General thought little of him, and whenever an opportunity arose never hesitated to insult him publicly. General Wu was in an exceedingly strong position in 1921. He was no longer a division commander who, in the belief of General Chang, should have no voice in political affairs, and last Autumn was made Inspecting Commissioner of Hunan and Hupeh. While gaining in rank, he has lost the confidence of a section of the people. He was severely criticized for cutting the dyke to flood his enemy with Yangtse water, devastating a vast area and making destitute thousands of innocent people, and for the seizure of the Peking Hankow Railway in order to get revenue for the support of his troops. The more enlightened Chinese have excused General Wu for both acts, and have said that under the existing circumstances he could not do otherwise.

His criticis have overlooked one of his heroic deeds done in the year just passed. This heroic deed should go down in history, and should be made generally known to young generations. It concerned General Wu's saving of his army at Ichang. When he landed with a bodyguard of 200 he learned that his troops were surrounded by a superior force in a valley. Immediately he divided his men into four parties, with himself commanding one party and three staff officers in charge of the other parties. He blew the bugle himself to indicate the arrival of one division of reinforcements, and they marched forward to face the opposing army. It the fight his three staff officers were killed, and a bullet puntured his clothing on the shoulder. Before long the superior opposing force retreated, and in the retreat one detachment of several thousand men was cut off, and General Wu Pei-fu, accompanied by two officers, went to them at a great personal risk and accepted their surrender. It was related on good authority that the commanding officer of the enemy force asked: "Who are you that demand our surrender?" The reply was "I am Wu Pei-fu." These few words had a magic effect. He accomplished his desired object. Such personal bravery is lacking in young generations, and should be immortalized for the benefit of the nation.

The principal Chinese events of 1921 in detail are here given in a chronological order to facilitate reference and at the same time to be a reminder of the anxious moments that have been passed and to strengthen the resolution to face the new days calmly and to hope for the best:

JANUARY

1st. The employes of the Canton-Hankow Railway declared strike for higher pay. The Peking Ministry of the Interior called a local government conference.

6th. The leaders in the southern provinces, issued a circular expressing their desire to continue the domestic peace conference.

8th. Szechuen declared self-government. The Peking Ministry of Communications signed the Sino-American wireless loan agreement to the amount of Gold $4,600,000.

15th. The Ministry of Communications signed the contract for a loan of $ 6,000,000, with the home bankers to purchase railway cars.

17th. The Japanese Minister at Peking presented four proposals as basis for Hungchun negotiation, which proposals were immediately rejected by the Chinese Foreign Office

18th. The new Consortium declared its formal organization.

19th. The Ministry of the Interior signed the famine relief loan of $4,000,000.

22nd. Great Britain and Japan jointly protested against the Sino-American wireless agreement.

26th. General Chang Hsun was appointed director-general of the Forestry and Reclamation Service for Jehol.

27th. The Sino-Japanese Military Pact was cancelled. The astronomical instruments which Germany took away from the Observatory of Peking in 1900 were returned to China.

28th. Kweichow annnounced the formation of a self government.

31st. Japan urged the repayment of the loans contracted during the Anfu regime.

Other events which took place in the month were the awarding by the Peking government of high honors to the military leaders of Szechuen and Kweichow, the abolition of the office of the High Inspectorate General of Kiangsu, Anhwei and Kiangsi, the first report of the invasion of Urga by Baron Ungern, the inauguration of the Canton Extraordinary Parliament, the retirement of Chen Chun-hsuan from Canton, the first news about the approaching close of the Banque Industrielle de Chine, the declaration of the Canton government regarding the control of the Canton Customs, the appointment of General Lu Yun-ting as director-general for frontier defence.

FEBRUARY

1st. The provincial government of Hunan contracted a Japanese loan of $1,200,000 for the establishment of a mint.

2nd. M. Yourin, representative in China of the Far Eastern Republic, notified the Chinese Foreign Office of his desire to commence negotiations for a commercial treaty between Russia and China.

4th. Urga captured. Lieutenant General Kao was killed in his defence of the city.

7th. General Tang Chi-yao, Tuchun of Yunnan, resigned and left the province. General Ku Ping-chen took up the duty of maintaining order in the province.

9th. General Lu Yung-hsiang, Tuchun of Chekiang, in a telegram to Peking, urged delay in the election for a new parliament.

16th. The American Minister, in a despatch to the Chinese Foreign Office, insisted upon the validity of the Sino-American Wireless Agreement.

22nd. Dr. Wellington Koo was elected a member of the Committee for the Revision of the Covenent of the League of Nations.

23rd. The soldiers at Shasi mutinied.

26th. The Tsangchow-Shihchiachuang Railway commenced construction.

Other events which took place in the month were the mutiny at Paotingfu, the National Famine Relief Drive, the issuing of an order by the Canton government for the arrest of members of the Kwangsi faction.

MARCH

3rd. The Ministry of Finance signed with the Chinese bankers a loan of $2,500,000 for the establishment of the Shanghai mint.

9th. Taolin, next city to the south of Urga, was captured.

14th. The faculties and officers of the high and middle schools at Peking declared strike for failure to receive their salaries in arrears.

16th. The Sino-Dutch treaty of commerce was signed.

23rd. The proceeds of the famine relief loan were ready for distribution.

25th. Cobdo was captured by Baron Ungern's force. General Chen Yi, resident commissioner of Urga, was reprimanded.

Other events for the month included the despatch by President Hsu of China of Chu Chi-chien to France to receive for him the honorary degree of doctorate from the Paris University, the issue of a Presidential mandate to reorganize the internal loans, the circularizing of General Lu Yung-hsiang's views on the inadvisability of calling a new parliament before domestic differences were adjusted, the return to Peking of ex-Boxer ring leader, Prince Tuan, from Sinkiang, the completion of the withdrawal of the depreciated Peking notes, the appointment of General Chao

Heng-ti to be concurrent Civil Governor of Hunan, and the establishment of a committee for retrenchment.

APRIL

3rd. A mandate was issued prohibiting the circulation of rumors on monarchical restoration.

7th. The Extraordinary Parliament of Canton elected Dr. Sun president and abolished the Provisional Constitution.

8th. The teachers and officers of eight institutions of high learning at Peking resigned when their demand for the payment of their salaries in arrear was rejected.

14th. The troops at Changteh mutinied.

22nd. The Diplomatic Corps at Peking, in a cable to the Consular Body at Canton, refused to recognize Dr. Sun as President.

25th. General Chin Yun-peng, General Tsao Kun, General Chang Tso-ling and General Wang Chan-yuan attended the Tientsin Conference.

Other events which took place in this month were: as the result of the Tientsin Conference, the Northern Military leaders sent out a joint circular detailing the crimes of Dr. Sun, and Premier Chin sent in resignation in consequence of a quarrel with Tsao Jui, Civil Governor of Chihli.

MAY.

4th. The Local Government Conference began sessions. The Tientsin Conference was terminated.

5th. General Tsao Kun, General Chang Tso-ling and General Wang Chan-yuan went to Peking to solve the Cabinet crisis.

7th. The National Day of Disgrace was observed by street parading and lecturing throughout the country.

9th. The Peking street car loan signed.

14th. The partial reorganization of the Cabinet took place, the personnel of the new Cabinet being as follows: Chin Yun-peng, Prime Minister; Dr. W. W. Yen, Minister of Foreign Affairs; Chi Yao-shan, Minister of the Interior; Li Shih-wei, Minister of Finanace; Tsai Chen-hsun, Minister of War; Li Ting-hsin, Minister of Navy; Tang-Kun, Minister of Justice; Fan Yuan-lien, Minister of Education; Wang Nai-ping, Minister of Agriculture and Commerce; Chang Chih-tan, Minister of Communications. Chow Tse-chi and Yeh Kung-cho, Ministers of Finance and Communications respectively, retired. Minister Li Shih-wei and Minister Fang Yu-lien refused to assume office. Vice Minister Pan-fu was appointed Acting Minister of Finance, and Vice-Minister Ma Lin-yi was appointed acting Minister of Education.

19th. The Shihpingchiah-Chenchiatun loan was raised to $22,500,000.

20th. The Sino-German treaty of commerce was concluded. It contained seven articles and the treaty was considered a victory for Chinese diplomacy, The tariff restriction and extraterritoriality clauses which were in the previous Chinese—German treaty, were removed.

24th. The Minister of Communications signed with the Sino-British Corporation a loan for £2,500,000 to double track the Peking-Mukden Railway between Tangshan and Shanhaikuan.

25th. General Yen Hsiang-wen was appointed Military Governor of Shansi.

30th. General Chang Tso-ling was appointed High Commissioner for Mongolia and the Three Special Administrative Areas, and was given full power to deal with affairs in those places.

The Fifth Olympic Athletic Meet commenced at Shanghai.

Other events which took place in this month included the assumption of office of President by Dr. Sun on May 5th at Canton, the appointment by President Sun of a Southern Cabinet with Dr. Wu Ting-fang as Minister of Foreign Affairs, Tang Shao-yi as Minister of Finance, Chen Chun-ming as Minister of War, and concurrently as Minister of the Interior, Lieh-chun as Chief of General Staff, Tang Ting-kuang as Minister of Navy and Hsu Chien as Chief Justice of the Suprme Court, and the beginning of fighting between Kwangtung in support of Dr. Sun and Kwangsi, is support of Peking.

JUNE

2nd. The students at Anking violently treated by soldiers and police when they demanded the Provincial Assembly devise means for the raising of educational funds.

3rd. Peking students assembled before the Presidential Office for a demonstration against the indifference of the government towards education.

4th. The troops at Ichang mutinied.

7th. The troops at Wuchang mutinied.

8th. The Local Government Conference was terminated.

16th. The commission for the drawing of a provincial constitution was inaugurated at Hangchow, Chekiang.

19th. The soldiers at Fuchih, Hupeh, mutinied.

26th. Dr. Wang Chung-hui was appointed China's special envoy to the League of Nations.

27th. The Chihli soldiers advanced to fight General Chen Shu-fan, ex-military Governor of Shensi. The city of Wuchow, Kwangsi, was captured by Canton soldiers.

Other events for the month were the issue of a circular by Lu Yung-hsiang advocating the federation of provinces and the formal organization of the Peking Street Car Company.

JULY

1st. General Chang Tso-ling assumed office of the High Commissioner for Mongolia and the Three Special Administrative Areas. The Peking-Tsinanfu flight was undertaken by airplanes of the Aeronautic Department.

2nd. The Banque Industrielle de Chine suspended its business.

6th. The fight began between the Chihli force and the Chen Shu-fan force at Huinan, Shensi. Baron Ungern's force was driven out of Urga by the Chita troops who occupied the city subsequently.

12th. The Chinese government declared its willingness to participate at the Washington Conference.

13th. The Chinese Bankers' Associations at different cities undertook to cash notes of the Banque Industrielle de Chine.

16th. The new Brazilian Minister presented his credentials to the President of China. At a Cabinet meeting the government decided to issue the tenth year domestic loan of $30,000,000.

19th. General Lu Yung-ting resigned from the office of director general for frontier defence between Kwangtung and Kwangsi.

24th. Wei Jen-chu was appointed Chinese Minister to Germany.

28th. The officers and teachers of the eight government schools at Peking resumed work when their pay was adjusted.

29th. The fight between Hunan and Hupeh took place.

Other events were the establishment of the provisional government in the southern section of Hupeh by General Chiang Tseng-ping, the appointment of Dr. Ma Chun-wu by the Canton government as Civil Governor of Kwangsi.

AUGUST

1st. The city of Nanning, Kwangsi, was captured by Canton.

5th. As a consequence of repeated defeats of Hupeh troops, General Wang Chan-yuan handed in resignation.

8th. The new Spanish Minister presented his credentials to the President of China.

9th. General Wang Chan-yuan's resignation as Tuchun of Hupeh was accepted. General Wu Pei-fu was appointed Inspecting Commissioner of Hunan and Hupeh, and General Hsiao Yao-nan was appointed Tuchun of Hupeh. The American Minister officially informed the Chinese Foreign Office of the date for the commencement of the Washington Conference, and the Chinese Foreign Office accepted the invitation to participate at the conference.

13th. The notorious bandit chief, Kao Chien, who had disturbed peace and order in the northern section of Shensi for the last few years, was shot.

16th. Szechuen sent reinforcements to the republican troops in Hupeh.

17th. While the fight between Hupeh and Hunan was at its height, General Wu Pei-fu broke the dyke in Hupeh and flooded the Southern troops, thus relieving the situation. Szechuen and Hupeh troops were engaged in a bloody combat.

18th. President Hsu issued his views regarding the Washington Conference. The appointment of Li Chiao-ching as Civil Governor of Anhwei was opposed by the Anhwei people.

19th. Typhoon visited the sea coast provinces of China, especially Kiangsu and Chekiang, and left in its track much damage.

21st. Szechuen troops arrived at the neighborhood of Ichang.

23rd. General Yen Hsiang-wen, the newly appointed Tuchun of Shensi, committed suicide.

25th. The soldiers at Shiaokan, Hupeh, mutinied. General Feng Yu-hsiang was appointed Tuchun of Shensi. Dr. Sun Yat-sen signed with an American firm (Shank) a preliminary loan for $100,000,000.

28th. Chihli troops recaptured the city of Yochow.

29th. The Committee for the Study of Constitutions in Hunan completed its work.

Among the other events in August were: the proposals to send an expedition against the North by the Southern Extraordinary Parliament, and the proposal of calling the Lushan Conference to unify the country by General Chang Shoa-tseng.

SEPTEMBER

1st. The agreement to cease fighting between Hunan and Hupeh was signed by General Wu Pei-fu and General Chao Heng-ti on board a British warship.

2nd. The proposal to call a Lushan conference was formally communicated to the country. Szechuen troops besieged Ichang.

4th. General Chang Wen-sun and General Chi Hsi-yuan were appointed Tuchuns of Anhwei and Kiangsu respectively.

7th. The Japanese Minister delivered the first Shantung note to the Chinese Foreign Office.

8th. The eight government schools at Peking re-opened.

9th. The constitution for the province of Chekiang was promulgated.

11th. General Chiang Kwei-ti was removed as Tutuh of Jehol and was succeeded by General Chi Chin-chun.

13th. The Chinese Ministers to foreign countries jointly addressed a memorial to Peking urging the cessation of civil strife.

15th. The Diplomatic Body addressed a note to the Chinese government warning against further mutinies. Szechuen and Chihli troops were engaged in a combat at Ichang.

16th. The Macao controversy precipitated.

20th. The shops at Anking struck against Li Chao-ching as Civil Governor of Anhwei.

26th. The students at Peking paraded the streets protesting against direct negotiations over the Shantung question. The Cabinet at Canton approved the sending of an expedition against the North.

29th. The Chinese delegation to Washington left Peking for America.

30th. Li Chao-ching was removed from the Civil Governorship of Anhwei and replaced by Hsu Shih-ying.

Among the other events in the month were the solicitation by Peking of views from the Three High Inspecting Commissioners on the question of self-government, the refusal of the Canton government to recognize the Chinese delegation to Washington sent by Peking, the second resignation of General Chin Yun-peng as Prime Minister as a result of differences of opinions with President Hsu Shih-chang over the actions of Pan Fu, the maltreatment of Chen Wei, chief of the Treasury Department by the troops of General Chiang Kwei-ti, the commencement of through traffic on the Peking-Suiyuan Railway, and the capture of Lungchow by Canton.

OCTOBER

1st. The Ministry of Finance contracted a loan of $3,000,000 with a foreign bank.

2nd. Fifty-three public organizations at Peking formed the citizens society to deal with foreign affairs, and jointly protested to the government against direct Shantung negotiations.

3rd. The students of the Teachers' College at Wuchang came to Peking to force the Ministry of Education to finance their college.

5th. The Chinese delegation to Washington sailed from Shanghai for America.

6th. The Chinese Foreign Office replied to the first Shantung note from Japan. Dr. Wellington Koo, Dr. Alfred Sze, Dr. Wang Chung-hui, and Dr. C. C. Wu, were appointed Chinese representatives at the Washington Conference. The Canton government officially informed the Powers that it refuse to recognize the Peking government and its delegates to the Washington Conference.

10th. The twenty-fifth anniversary of the commencement of the Chinese Postal Service celebrated.

13th. The joint conference of the chambers of commerce and the educational associations at Shanghai began sessions.

14th. The Bankers' Association protested against the wine and tobacco loan.

15th. Dr. Sun Yat-sen attended the Southern Parliament which passed a resolution to despatch an expedition against the North.

16th. The Canton Municipal loan for $15,000,000 was concluded.

17th. The joint commercial and educational conference at Shanghai was terminated.

19th. The Japanese Minister delivered the second Shantung note to the Chinese Foreign Office,

23rd. The International Bar Association held its annual meeting at Peking.

24th. Dr. Wellington Koo and Dr. Alfred Sze made public China's expectations from the Washington Conference.

26th. The associated chambers of commerce conference at Shanghai was terminated. The associated educational conference opened its first session at Canton.

28th. Li Shih-wei resigned as Minister of Finance. Kao Ling-wei was appointed Minister of Finance.

29th. The Chinese Foreign Office made public the eight principals regarding the solution of the Shantung question.

30th. The Chinese delegation arrived at Washington D. C.

The other events of the month were the defeat by General Wu Pei-fu of Szechuen troops. Dr. Sun Yat-sen's departure from Canton for Kwangsi to lead the expedition.

NOVEMBER

3rd. The Chinese Foreign Office replied to the second Shantung note.

5th. The American Minister warned the Chinese government against the delay in the payment of the wine and tobacco loan to a Chicago bank that was overdue.

6th. General Tang Chi-yao returned to Yunnan and was not welcomed by the people as their leader.

7th. The Japanese Minister at Peking proposed to China the stationing of Japanese police at Yen Chih and Hung-chun.

11th. The citizens at Shanghai held a mass meeting to celebrate the opening of the Washington Conference. The National Citizens' Association to deal with diplomatic affairs was formed. The citizens at Peking held a mass meeting on the same day to discuss the Shangtung question at the Central Park.

14th. The students of the Teachers' College at Wuchang returned with their demand for funds complied with. Rumors were circulated that there had been a run on the Bank of China and the Bank of Communications in Peking.

16th. The famine relief association at Shanghai was organized. The Chinese delegation at Washington submitted ten principals for consideration of the Conference.

18th. The Paotingfu Conference was held.

19th. The girl students at Peking paraded and asked the shops to accept the notes of the two banks at par.

22nd. The Washington Conference commenced the discussion of the questions relating to China, and the Chinese Foreign Office at Peking published the Chinese proposals in the press.

24th. The Washington Conference discussed the Chinese tariff question and referred it to the Far Eastern Committee for report.

25th. The Washington Conference discussed the question of the abolition of extraterritoriality in China. Dr. Alfred Sze submitted a proposal for the abolition of the foreign post offices in China.

26th. The banking crisis in Peking and Tientsin came to an end.

28th. Dr. Wellington Koo submitted the Shantung question to the Conference for discussion. The Washington Conference passed a resolution to abolish the foreign post offices in China.

29th. The Washington Conference passed the resolution to appoint a commission to study the judicial system in China.

30th. Dr. Alfred Sze lodged a protest against the station of foreign troops in Chinese territory.

Among the other events of the month were the dismissal of Pan Fu as Vice-Minister of Finance, the promulgation of the procedure of the civil code and the strike of the employes of the Ministry of Education for pay in arrears.

DECEMBER

1st. Dr. Sun Yat-sen arrived at Kweiling. The Tientsin branch of the Bank of China resumed full specie payment of its notes. The Chinese residents at Washington held a demonstration in connection with the Shantung question. Through the mediation of the British and American delegates, the Chinese and Japanese delegates were brought together to discuss the Shantung question for the first time.

3rd. President Hsu Shih-chang sent a circular telegram to the provinces blaming himself for the present misfortunate and hinting at his intention to resign.

7th. The Far Eastern Committee at Washington resolved that in time of war, Chinese neutrality should be strictly observed by all the Powers.

8th. The Shanghai citizens' mass meeting resolved to demand the total abolition of the Twenty-One Demands and the unconditional return of Tsingtao. The three Chinese delegates at Washington were disappointed at the result of the Conference, and sent in resignation.

9th. The citizens at Nanking and Amoy held a mass meeting on the Shantung question.

10th. Shantung students at Peking protested against direct Shantung negotiations. The Chinese and Japanese delegates at Washington began the discussion of the Shantung railway question.

11th. The Chinese Ministers to the European countries reported to their government that the oversea Chinese were strongly against the direct Shantung negotiations. The constitution for Hunan was promulgated.

12th. General Chang Tso-ling arrived at Tientsin.

13th. More than ten thousand students at Peking paraded in connection with the Shantung question and demanded the Minister of Foreign Affairs to instruct the Chinese delegates at Washington to have the Shantung question submitted to the Washington Conference immediately. The citizens of Japan addressed a note to the citizens of China urging the early unification of this country. The Presidents of the eight institutions of high learning at Peking resigned because of no fund forthcoming.

15th. The Twenty-One Demands were submitted at the Washington Conference.

17th. General Chin Yun-peng tendered his resignation for the third time. Mass meetings were held at Chinkiang, Soochow, Hankow, Tsinan with regard to the Shantung matter.

18th. General Chin's resignation was accepted. Dr. W. W. Yen was appointed Acting Prime Minister. All the primary schools at Peking declared a strike in protest against the lack of educational funds.

19th. Mass meetings were held at Wuchang and Tientsin. General Tsao Kun arrived at Peking.

20th. Liang Shih-yi was a candidate for the premiership. A deadlock between the Chinese and Japanese delegates over the Shantung question was reached.

23rd. The Japanese delegation at Washington refused to discuss the Twenty-One Demands.

24th. Liang Shih-yi was appointed Prime Minister.

25th. Liang Shih-yi assumed office. The citizens at Peking held a mass meeting on Shantung. The new Cabinet Ministers were appointed: Dr. W. W. Yen, Minister of Foreign Affairs; Kao Liang-wei, Minister of the Interior; Pao Kwei-ching, Minister of War; Li Ting-hsin, Minister of Navy; Chang Hu, Minister of Finance; Wang Yen-pei, Minister of Education; Chi Yao-shan, Minister of Agriculture; Dr. Wang Chung-hui, Minister of Justice; Yeh Kung-cho, Minister of Communications. The laborers at Changsha held a demonstration on Shantung.

27th. The Japanese Minister at Peking advised the Chinese to instruct the Chinese delegates at Washington to give in on the Shantung negotiations.

30th. The Supreme Court of the Southern government issued orders for the arrest of Liang Shih-yi and Hsu Shih-chang.

31st. General Tsao Kun left Peking for Paotingfu, and General Chang Tso-ling decided to pass the new Year at the Capital.

Other events of December were the removal of Chang Shou-ling from the director-general of the Wine and Tabacco Administration, the succession of the office by Wang Shih-yuan, the strike of the employees of the Peking Suiyuan Railway as a protest against the misconduct of their director, Chen Shui-hua, who was subsequently dismissed by the Ministry of Communications, and the serious collision of two trains on the Peking-Mukden Railway on the morning of December 26th.

Peking, January 5, 1922.

Famine Prevention by Reforestation and Improved Agriculture

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ONE quickly realizes that the problems involved in the prevention of famines in China are extremely complicated, interdependent and strike at the very roots of China's present economic and social life and customs. Many factors are involved. There are not, however, more fundamental and far-reaching than the reforestation of her barren hills and the improvement of her agriculture with consequent amelioration of the conditions under which a large share of her agricultural population lives. The statements which follow apply more particularly to the region north of the Yangtze River in which floods and famines are most frequent, but in many cases apply to conditions in the south as well.

China's present agriculture represents centuries of economic and social adjustments in the face of a population that has increased with little or no corresponding increase in the area cultivated. Especially in the north her agricultural population has had to adjust itself to a wholly inadequate supply of forest products. Here, her people are so dependent upon agriculture that in addition to providing food and clothing it has had to assume the burden of supplying fuel as well, which in most other countries is supplied by their mines and forests. This means that millions of tons of organic matter which, for example, in America, is put back into the soil and which we deem of fundamental importance in maintaining the fertility of our soil, is burned up in China. Thus not only is the soil deprived of important mineral plant foods, but also of the beneficial physical and biological effects which organic matter has on the soil. This has, undoubtedly, brought about a serious deficiency of available plant food in the soil with a consequent decrease in its productiveness.

There is no modern machinery which would increase production through more careful cultivation or save labor when this is an essential factor in harvesting crops and preparing their fields for a second crop. There is no knowledge of the science of plant and animal improvement and very little of the art, nor is there knowledge of plant and animal insects and diseases and their control. A large share of the time of the farmer between the freezing of the ground in the fall and thawing out of the ground in the spring is spent in idleness. Illiteracy is widespread and superstition is deep rooted. There are no adequate banking and savings facilities to meet the needs of the small farmers. A high rate of interest on loans is demanded. It is difficult to accumulate savings with which to buy new forms of capital. A too high percent of income goes into non-productive sources, due to the influence of outworn customs and superstitions. A large share of the farmers operate on such a small margin that adverse conditions, tending to decrease the production of their fields quickly, cause suffering and want.

Against this background of absence of forests and forest products, an overburdened agriculture and over populated cultivated areas, of serious regional drainage conditions, a climate of low rainfall under normal conditions, adverse conditions of climate through too much rainfall causing floods or subnormal rainfall causing drought, hundreds of millions of Chinese farmers are now living all too precariously and fortuitously, with no possibility of extricating themselves, being compelled to assume all the chances of adverse conditions without any guarantee whatsoever against loss and with little actual reserve when bad years come.

So far as this great farming population is concerned, and it is this element of Chinese life with which the problems of famine prevention are most vitally concerned, great economic forces must be set in operation which will bring to them higher standards of living through increased per capita production, a larger margin beyond actual needs, protection against the destruction of crops by insects, diseases and floods, relief from suffering consequent upon loss of crops, better facilities for transportation, economic independence of the farmer from the demands of unscrupulous money lenders, and provision for the accumulation of savings that will not only help him to tide over the years of adversity but will make possible the acquisition of productive capital.

To be more specific, the reforestation of China will help ameliorate not only the physical conditions

of China, but aid in bringing about the conditions noted above, by providing for the utilization of millions of acres of land now wholly unproductive and unprotected from erosion, providing employment and homes for millions of people, providing a supply of much needed forest products for her developing industries and mines, railroad ties and lumber for her railroad maintenance and repairs, lumber for her building trades, props for her mines and timber for the thousand other uses to which wood is put in the manufacture of articles deemed essential to even a moderate standard of living. I believe there is no other single factor that would have a more important influence on raising the standards of living in this part of China than an adequate supply of forest products.

Moreover food bearing trees could be widely planted in the extension of forest projects which would provide a new and valuable source of food when field crops fail.

Dean Toumey, of the Yale Forestry School, contends that the lack of forests in China is one of the main, if not the main, cause of their slow industrial progress, and further says: "I do not place China's need for forests primarily upon their beneficial influence on stream flow, but rather upon the need for wood as a basic resource essential for industrial development."

Reforestation will not only ameliorate but will help tremendously in the prevention of famines by relieving agriculture of her responsibility to provide fuel and thus directly affect the fertility and productivity of the soil, by supplementing river conservancy through developing forests and protecting the soil on the watersheds of China's rivers, by influencing the surface runoff of rainfall, increasing the moisture capacity of the soil, regulating stream flow, aiding in regulating and checking the force of floods, and thus minimizing their consequences. It is safe to say that the reforestation of the millions of unwooded acres alone will not prevent famines but there can be no permanent prevention without it.

The following agricultural projects are proposed because of the very direct influence they will have in bringing about those conditions which will result in raised standards of living and will insure the operation of those larger economic forces mentioned above.

Development of a crop-reporting system—There is no agency at the present time in China that is making any adequate attempt to estimate the condition of crops during any period of their production. A crop-reporting system, had it been organized and at work, would have discovered the conditions which led to this horrible famine in North China long before the true condition was brought to light. Such a crop-reporting system would not only be valuable in pre-determining conditions of famine, but would be of very great commercial value at all times.

Distribution of population through colonization—Naturally a great deal of the suffering in the famine districts has been due to the fact that the areas are so densely populated. At best the land produces little more than its population demands. The colonization of Manchuria and Mongolia and the utilization of non-productive, but arable lands in China, probably could be made to reduce the present densely populated farming areas, making possible a less precarious existence for those who remained and a much fuller life for those who were colonized in the North.

China's need for a less dense population in certain parts of Shantung, Honan, Anwhei and Chihli, are certainly as great as any other country, in the world. Colonization would mean the bringing under cultivation millions of now unproductive but cultivable acres. It would demand and pay for in a small number of years the building of thousand of miles of highways, railroads, the construction of drainage and irrigation systems and other rural engineering developments, the manufacture and sale of hundreds of thousands of pieces of farming machinery, providing materials for construction of houses and barns, demanding thousands upon thousands of cattle and other beasts of burden, the employment of millions of people in secondary occupations dependent upon agriculture, such as the merchant, the blacksmith, the carpenter, the mechanic, government employes, etc., and with it the development of flour, oil, fertilizer, farming implements and other industries. In short, it would call for a development not dissimilar to that which we have seen taking place in our own western United States in the last few decades. There is no reason to believe that the colonization of Manchuria and Mongolia will not have an influence on China Proper very similar to that influence which the development of our western United States has had on the development of eastern United States in the last several decades.

Development of granaries.—China, for many centuries, had a system of granaries very similar to that organized by Joseph for the Egyptians. During years of heavy harvests the excess food products were brought up by the government and placed in the granaries until needed in years of under production. Thus were the farmers protected from oversupplying markets and short prices in seasons of plenty and were at the same time provided for in the years of want.

The establishment of cooperative rural credit and saving societies.—A great many farmers could have tided themselves over a famine year provided they had had the foresight and the ways and means by which they could have invested surplus earnings which they might have been able to save during a good year. Cooperative enterprises should be greatly encouraged.

Underground water supply of North China.—It is difficult to gauge the importance of this factor, because practically nothing is known concerning it. Conditions warrant a very careful survey, such as has been made in some of our Western States, of the supply of underground water throughout all of North China. It is, of course, well known, that irrigation is widely practiced in North China. The problem arises in determining to what extent the present water supplies might be supplanted and whether or not it is possible to introduce deeper wells, including artesian wells, that will give an additional supply of water. The marginal productive value of even a very small amount of water for irrigation purposes in dry seasons will be very great.

Study of soil fertility problems in China.—This would include not only a survey and study of present fertilizing practices, but would include experimentation in the use of commercial fertilizers, to supplement their present practices. The Chinese know nothing at all about the use of commercial fertilizers on which the agricultural production of the United States is so largely and increasingly dependent, and an undoubtedly important contribution to the agricultural population could be made.

It should be recalled that China's supply of plant food in the soil is not only now used to supply food and clothing but fuel as well and until mines are developed and there is a supply of forest products

that can be utilized as cheaply by the farmer and his dependents as the products which he is now using from the soil agriculture will be forced to continue to carry this present heavy burden.

Study of economic plant insects and insecticides—The destruction of plant life by insects in China is very widespread and in many cases brings about considerable suffering on the part of the farmers. There is great need for a careful study of these destructive insects, as well as a study of Chinese products, which could be used in the manufacture of insecticides.

Study of plant diseases and fungicides—What has been said concerning insects and insecticides holds equally true of plant diseases and fungicides.

Study of economic plants of China, particularly their botany distribution and uses—All too little is known about the economic plants of China. The Chinese themselves do not know what they are, and they can only be studied in the light of the modern science of botany.

Introduction of new plants or varieties of plants should also be noted under this head, as well as the preservation of perishable foods, of which the Chinese know very little, but which could be developed into a very important food reserve to help meet the demand of years of want,

Study of economics of China's agriculture—This would include a study of the factors of production, income, outgo, land tenancy, rents, farm management, etc. Such information is absolutely necessary to a correct understanding of the problems that are involved in agricultural improvement and change. In many cases there are p ssibilities of a change in farm management, the introduction of new crops, or a different utilization of the crops that are grown that would provide a more diversified farming and a surer income.

The improvement of crops and animals—A knowledge of the science of genetics is the only basis on which the art of plant and animal improvement can proceed. This is more generally known as plant and animal breeding. It, however, affords China one of the earlest ways to increase production. There is little evidence in China's agriculture that they understand the laws of inheritance as applied to the improvement or maintenance of their crops and animals and if they know anything about it, there is no evidence that they have used it to their advantage. In four years by pedigreed selection we were able to double the yield of corn over the fields from which the original selections were made, and a plant of wheat selected from a native field is now leading 80 other varieties of Chinese and imported wheat, giving a yield of over 40 bushels to the acre. What we have found out with regard to the selection of cotton and silk, indicates that through the application of the science of genetics we have one of the best ways of greatly and very rapidly increasing the yields of China's crops. Their animals would likewise yield to the influence of scientific breeding.

Improvement of her animal husbandry.—The improvement of her animal husbandry, the development of dairying, the improvement of her poultry, are all agricultural problems that are awaiting solution and all have their direct and independent bearing on the problems of increasing their per capita production.

Introduction of improved farm machinery.—This would bring about increased production because of the better cultivation which the farmer could give the soil. Except in the very busy part of the season, any labor saving which improved machinery might bring about might not be a particularly important factor, but improved machinery is essential and will accompany improved agriculture in China.

Home industries.—Home industries should be developed in order to increase the family income by utilizing spare hours. In North China farmers have very little to do between the freezing up of the ground in the fall to the opening up of spring, spending their time not only in non-production but using what little capital they have in nongainful pursuits. Greater diversity of agriculture and a larger development of their animal industries might help in this respect, but even with these developments, the conditions as noted above must still be recognized as one of the greatest economic wastes in China today.

The means of bringing about these improvements and of getting them back to the land where they will begin to affect the Chinese farmers and bring about a modification of the conditions under which he now labors, is through education. This education would include concurrently, (a) investigation, research and experiment; (b) instruction, and (c) extension, following the same development of scientific agriculture here in the United States. Nor do I see any way of bringing aid and comfort to these hundreds of millions of Chinese farmers in any other way. Further, I do not see any way of paying for these huge engineering projects which will have to be developed in connection with river conservancy measures, the development of great transportation systems, the building of roads, the building of canals, and dikes, modern facilities of communication, sanitation, the development of schools and education, *except* through that part of the products of the soil which is not measured by the immediate needs of the farmer and his family for fuel, food and clothing.

In other words, China is most largely dependent for the ultimate payment of the advantages and amenities which are desired to be brought about by great engineerng schemes purposed to prevent famines through the surplus of her agricultural products. Even now China depends upon her surplus agricultural production for maintaining her balance of international trade, in so far as it is maintained. In 1918, 85 percent and in 1919,90 percent of her exports were agricultural products. Her par capita of international trade is less than two dollars gold, an insignificant sum when one thinks of the tremendous natural resources of China.

Finally, reforestation and the improvement of her agriculture are fundamental considerations in bringing about permanent prevention of famines in China. Famine and suffering will recur in varying degrees of intensity, until the standards of living are raised through increased per capita production, and the quickest way to bring this about is through the improvement of her agriculture and the utilization of millions of acres of otherwise waste land supplemented with necessary engineering projects and the development of that individual initiative which a more complex life arising from the improvement and development of her agricultural and forest resources is bound to bring about.

I know of no greater educational opportunity thus indicated anywhere in the world than that which waits in China today, for it will mean not only bringing to millions of people economic development but an enlarged appreciation for those amenities of life which we consider a mark of progress and evidences of, may we call it, Christian civilization, and with which Chinese life would be much richer and more abundant.

Education is therefore the means to the development of and improvement of China's agriculture, the reforestation of her barren hills and the means by which they will be able to pay for the great engineering projects through which physical China will be able to unshackle herself from the disasters over which she now has no control.

The Washington Conference

(Covering the period from Thursday, January 5, to Wednesday, January 11, 1922)

THE events of the Washington Conference, so far as the news received in the Far East is concerned, have been largely entangled with the reports from Peking that the new Liang Shih-yi Cabinet by secret and direct negotiations had accepted the Japanese terms for the relinquishment of the Tsingtao-Tsinanfu Railway. This settlement, if made, would set aside any representations presented by the Chinese delegates at the Conference and would permanently end the case of China, according to the news dispatches, giving Japan control for a period of some twenty years over the railway and having it redeemed by a loan made by Japan.

During this time naturally the Chinese delegation have made no effort to continue negotiations, and the Shantung question, Washington reports say, continues to be deadlocked. The latest dispatch, a *China Press Trans-Pacific News* cablegram, announces that the Chinese delegation has been relieved by numerous telegrams arriving from Peking denying the secret negotiations with Japan, adding that "members of the delegation are still suspicious."

The Japanese are apparently basing their action on the hope that the negotiations can be transferred from Washington to Peking and have indicated that they will not consider the services of Secretary Hughes and Mr. Balfour in the matter. The Chinese delegation, it is said, is standing firm and seeking the aid of the mediators.

A resume of the Shantung situation is here given in a news dispatch dated Washington, January 9:

> Efforts to lift the deadlock on Shantung were resumed this afternoon when the entire Chinese delegation conferred first with Secretary of State Hughes and later with Mr. Balfour. Following a discussion of forty minutes with Secretary Hughes, Mr. Alfred Sze stated that the conversation was altogether satisfactory and reassuring and that the good offices of the American Secretary of State could be counted on.
>
> It was stated earlier in the day that Secretary Hughes was willing to mediate only if he is assured that such action will be agreeable to both aides. Although tonight the impression exists that America will content herself merely with an expression of hopeful interest for the settlement of the Shantung question it is reported also that America is urging Japan to desist in the effort to transfer the negotiations to Peking with the idea of obtaining there a settlement favorable to Japan.
>
> The British contend that Japanese prestige in connection with the naval treaty is imperilled by her obstinacy in the Shantung affair. The Chinese have told Secretary Hughes and Mr. Balfour that the Japanese have refused flatly to accept the good offices of America and Britain in the controversy and are holding back awaiting further instructions from Tokio.

The last Japanese proposal is an insistence on a fifteen year loan from Japan, with an option to redeem in five years, the Japanese naming the traffic manager, and the final terms being settled in Peking. The Chinese offer to pay cash, treasury notes or bonds on a twelve year basis, with an option of redeeming the entire debt after three years and allowing the Japanese the chief engineer. Japan, it is said, is explaining that it desires to hold the same status on the Shantung Railway as that given other powers on other lines in China and asks for a preferred position in Shantung by reason of special interests and concessions with regard to the province's rail traffic.

Mr. Hanihara continues to the spokesman of Japan in the matter and has declared that if the question is brought up for the consideration of the conference as a whole, Japan will withdraw the concessions made and fall back on an insistence that the terms of the Versailles Treaty be observed. Japanese agitators, news dispatches say, are insisting that the matter has already been settled at Peking.

The American viewpoint of the controversy is given by one dispatch as follows:

> The Shantung question now supersedes all other questions and makes the outstanding issue precisely like that which arose when the Versailles treaty was under discussion with the prospect of the same effect in the United States Senate, meaning that the Senate will withhold support of any agreement that will leave Shantung in the hands of the Japanese.
>
> The whole Far Eastern discussion on the Shantung issue with all of its details is not wholly clear to the American public, but an open break growing out of blank refusal to give satisfaction to China may galvanize into being an issue that will be accepted in the public mind as another gross injustice to the Chinese.

An effective 5 percent for the Customs tariff of China was approved by a sub-committee of the Conference, according to a dispatch of January 5, and the Far Eastern Committee on the same day passed a resolution providing for the eventual withdrawal of foreign troops from China. With regard to the former, the Chinese delegates are said to have expressed disappointment because no date was fixed for the withdrawal of foreign supervision. The raise is expected to increase the Customs income by $46,000,000. A summary of the agreement by Reuters follows:

> The agreement states that immediate steps will be taken through a confenerce between China and the Powers interested for the abolition of likin and the fulfilment of China's other treaty obligations, and, while these matters are being adjusted, a 2½ per cent surtax on most dutiable imports will be authorized, with 5 percent permitted on certain luxuries.
>
> The agreement further provides that the tariff revision shall be carried out forthwith in Shanghai "on the general lines of the last revision and proceed as rapidly as possible with a view to completion within four months from the conclusion of the present Conference, and tariff revision shall become effective two months after publication, without awaiting ratification."
>
> Another revision is planned to take effect in four years, after which revisions shall become effective every seven years.

The resolution with regard to the withdrawal of troops "whenever China shall assure the protection of lives and property of foreigners in China," is to the effect that the representatives in Peking of the Conference Power will be instructed whenever China shall so request to associate themselves with three representatives of China to conduct a full and impartial inquiry into any issues raised by the delegations of the Powers' intention to withdraw their armed forces. A *Reuter* dispatch continues with this explanation:

> This Commission shall prepare a full and comprehensive report setting out without reservation their finding of fact and opinion. Each of the signatory Powers shall be deemed free to accept or reject all or any of the findings expressed in such a commission's report, but such acceptance shall in no case be dependent directly or indirectly upon the granting by China of any special concession, favor, benefit or immunity, whether political or economic.

With regard to Far Eastern matters, the question of the Franco-Japanese Treaty of 1907, the terms of which provide for mutual support with a view to maintaining the territorial rights of the two countries, is coming under review. This treaty is not

affected by the Quadruple Agreement as is the Anglo-Japanese Alliance and it is said that the matter will receive attention in the drafting of the "Nine Power Treaty" relating to China

The revelations of the Chita Russian Republic continued during the period under review, consisting of a protocol between the French and Japanese, the contents of which is summarized as follows:

According to further revelations made by the Chita contingent, a protocol was drafted in Paris on January 14, 1921 by Japanese representatives and a French military body and by the terms of this document France approves of the temporary occupation by Japan of Siberia and takes the position that if Japan will agree to transport to Siberia Wrangel's army, which France was on longer able to support in Eastern Europe, then France will agree to give Japan full freedom of action in Siberia. The alleged protocol continues as follows:

"After the liberation of Siberia from the Bolsheviki France agrees that the Japanese Government may manage affairs in such manner that the liberated territory, while being under Japanese protection but with a Russian Government, would fall absolutely under Japanese influence and control."

Other disclosures of the Chita delegation set forth that a treaty of March 12, 1921 arranged between France, Japan and Russian delegates provides that after the liberation of Siberia from the Bolsheviki Japan will acquire domination over Siberia together with supervision of Siberia's administration and military forces and all concessons will belong to Japan. This alleged treaty concedes the right to Japan to maintain military forces at strategic places.

By the terms of the alleged treaty Japan agrees to evacuate the Wrangel army to Siberia, equip it and support White armies sent from Peking.

Both the French and Japanese governments have made official denials of the allegations to Secretary of State Hughes and these have been accepted with gratitude by the latter. The Japanese position is said to be that they are willing to withdraw from Siberia as soon as guarantees can be made for the safety of Japanese lives and property in that territory.

The Chita representatives have asked for a hearing of their case but are becoming discouraged, it is reported. Their request will largely depend upon the recognition of the Soviet by the Cannes Conference now in session, one dispatch says.

The French have accepted the proposal to prohibit the use of submarines against merchant vessels in principle, reserving final approval pending discussion as to the precise language, according to a *Reuter* London cable. The Italians and Japanese are awaiting the approval of their home governments, the dispatch continues, but it is believed that they will also acquiesce. The actual allotment of submarine tonnage, however, seems to be still under negotiation.

An attempt to define the use of aircraft has been apparently set aside on the basis that "the committee is of the opinion that it is not at present practicable to impose any effective limitations upon the number of characteristics of aircraft either commercial or military."

The naval agreement is still under the process of formation and the latest report is to the effect that ships of more than 10,000 tons of the merchant type may not be converted in auxiliary naval craft in time of war. Ships under 10,000 tons, according to a *Reuter* dispatch, would, if converted, come within the scope of the rule limiting armaments to guns of a maximum eight inch caliber.

The nine power treaty continues to be mentioned but nothing official has as yet been announced as to its nature. The latest report says: "The first steps have been taken to draft the nine power treaty, which like the four power treaty is to embody a declaration of intention' of the power toward China."

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The Conference now assembled at Cannes of the League of Nations to deal with German reparations, the economic rehabilitation of Europe and other questions growing out of the war just past, according to *Reuter*, is looming up larger than the Washington Conference. Prince Tokugawa, the first Japanese delegates, has departed from Washington and this is taken to signify by the correspondent that the Conference at Washington is approaching its conclusion. (The Cannes Conference will be duly noted in this resume from this week on.)

The Cannes Conference, according to *Reuters*, has invited the cooperation of Germany and Soviet Russia in an attempt to reinstate economic normalcy in Europe and both have accepted. Certain propositions are being made for the reduction of the German reparations and for their payment. The British, through Lloyd George, are said to be advocating an European agreement along the lines of the Quadruple Agreement to clear the situation.

The United States has also been invited by the Supreme Council of the League of Nations to send a delegation to the Cannes gathering. The invitation is being taken under advisement by the Cabinet. The American attitude is forecasted by the *China Press Trans-Pacific Service* thus:

It is known that if America does accept the invitation she will have stern terms to present, particularly relating to an agreement whereby Europe will readjust the German reparations which America considers uncollectable, and a further agreement drawn to halt national squandering in Europe for immense armies.

The question of meeting with Soviet Russia in the conference on terms of equality probably will figure largely in considering the desirability of accepting the invitation. President Harding has intimated recently that America will take part.

A further sidelight on the attitude of the United States toward the European situation is given in another dispatch of the same service:

An entire session of the Washington Cabinet was devoted to consideration of the economic situation in Europe and the prospect of having the United States take part in the settlement of problems confronting Europe. How America can help in the present European situation was exhaustively discussed.

By one high authority it was suggested that if America is asked to have a part in the European conference the United States will present proposals designed to stir profoundly European militarists. The view is given that the United States will say frankly that unless the various European nations get the idea of war out of their systems aid from American is not to be expected.

The questions concerning the European economic situation are regarded as a link that will connect the Washington Conference with another international conference to be held in the future.

Opinion in America holds the view that the chaos in Europe is incurable until big armies are abolished and the proble of German reparations finally is adjusted. It is problematical that America will present the reminder that i Germany had not abandoned the method of peaceful progress for that of military conquest that empire would not have fallen.

The view at Washington now is that Europe must learn to think in terms of peace if American help is desire. What is regarded as significant is a resolution that has been introduced in the House of Representatives asking Congress to declare that if certain nations owing huge sums to the United States desire to spend money upon naval armament, "the Government of the United States shall advise such nations that payment of obligations now due will be acceptable."

Congressman Reavis of Nebraska, who proposed the resolution, says that if France refuses to reduce her navy America believing that armaments only can lead to war will be in a position to say that France must build her armaments with her own money and not with that of America.

No formal invitation to America to join the European economic conference has been received, but it is anticipated that the invitation will be given.

The closing date of the Washington Conference has not as yet been announced but predications are current that it will not continue long. A *Reuter* dispatch of January 10 observers:

The interest in the Conference is slowly waning as the Powers have nearly reached the end of a long and difficult program. The delegations are busily packing up. Sanguine peace-lovers are disappointed at the lack of concrete results though it is admitted results have been achieved.

The celebrated novelist, Mr. H. G. Wells, summed up his opinion and that of most moderate observers when he declared to interviewers on embarking for Europé that the tangible results of the Conference were less important than the indirect consequences to the world's peace.

The Week in the Far East

(Covering the period from Thursday, January 5, to Wednesday, January 11, 1922.)

THE death of Marquis Okuma, the "Sage of Waseda" and former Premier of Japan, and the actions of the new Liang Cabinet of the Peking government occupy the center of news interest in the week under review. Marquis Okuma was one of Japan's most picturesque political figures, gaining international recognition by his work and being one of the few living statesmen connecting feudal and modern day Japan. He died after a lingering illness on January 10 in Tokyo.

The most startling action of the Liang Cabinet, which has occurred during the past week is the alleged settlement of the Shantung Railway question by the Peking body, through secret negotiations with Japan, upon Japanese terms. The alleged disclosures made through the Peking correspondent of the *China Press*, quoting the *Kuo Wen News Agency*, were contained in dispatches from David Z. T. Yui

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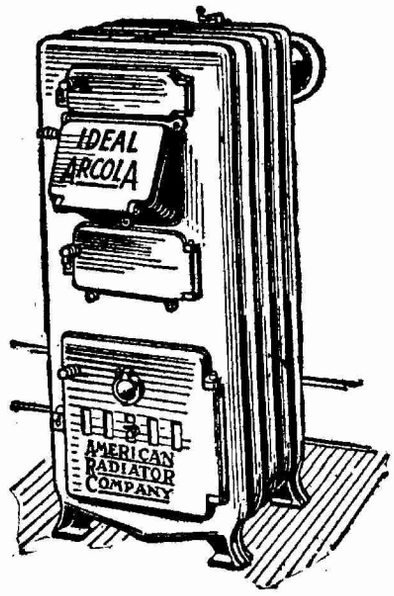

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and Monlin Chang, the "people's" delegates at Washington, who are said to have cabled:

"While the Peking delegates have been very firm in their stand on the Shantung question and the 21 Demands, direct negotiations have been conducted between Peking and Tokio without the knowledge of the delegates here.

"A startling telegram came this morning from Liang Shih-yi instructing the delegates to accept Japan's terms, namely for a loan from Japan for purchasing the Shantung railway and joint Japanese control. This action is calculated to Peking government to get more funds from Japan.

"The news that direct negotiations were being carried on in Peking was received in America with damaging effect. The Japanese delegates are telling the American public that Peking has accepted their terms. All past efforts and fight for China's rights in the future are futile because of Peking's action."

The report was immediately denied, upon its circulation, in a *Reuter* dispatch which follows:

The government denies the rumor in circulation yesterday that the negotiations over the Shantung question have been brought to Peking and now secretly going on in the Chinese Capital. It declares that there is no truth in this malicious report.

The government is in complete accord with the views of the Chinese delegates at Washington D. C. on the matter of the Shantung negotiations. Its conduct in regard to the question is being guided by Chinese public opinion. The Ministry of Foreign Affairs has charge of the whole negotiations. The government, however, hopes that the negotiations will continue and will be brought to a successful issue to the satisfaction of the Chinese.

The circulation of the report gave rise to several demonstrations of a public nature, particularly in Shanghai, against direct negotiations and to much adverse comment upon the part of the Chinese press.

A second act recorded is that of negotiations undertaken for the obtaining of a $90,000,000 loan, secured upon the Salt Gabelle. The negotiations have been transferred to the United States, according to the *Chung Mei News Agency* of Peking, which expresses the view that the plan, in the opinion of the Chinese, has a fair chance of success. No definite terms are outlined for the loan, except that the entire Salt Surplus will be pledged. The obligations now secured by the Salt Surplus, including foreign and domestic loans and bond issues, are said to amount to more than $60,000,000. It is expected, according to some sources, that the Chinese bankers will be requested to cooperate with the foreign ones.

The Peking government, the *Chung Mei News Agency* of Peking reports, has received assurances to the effect that the provinces holding allegiance to that body agree to the abolition of likin looking forward to the establishment of a tariff of an effective 5 percent as approved by a sub-committee of the Washington Conference. The report adds:" "Nothing is known of the attitude of the provinces under the control of the South, Kwantung, Kwangsi, Kweichow, Yunnan and Szechuen."

The new Customs tariff increase, according to a Peking dispatch of the *Reuter's Pacific Service*, to an effective 5 percent is expected within four months. A semi-official statement quoted in this report adds: "This increase is said to be part of a scheme for the gradual increase to 7 ½ percent within a period not yet fixed.

The vaults of the Bank of Communications at Peking were opened to the general public on January 5, following the advances made by the Manchurian bank of Chang Tso-ling, and a balance was announced of $3,160,000 of which $2, 732,000 was in the form of silver dollars. The unreserved payment of notes was resumed by both the Peking and Tientsin banks.

Premier Liang, according to Northern reports, is at work on the financial rehabilitation of the Peking government. He is said to be calling a special conference of an organization as "The Commission for

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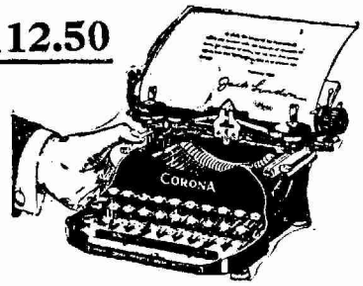

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the Readjustment and Standardizing of Mercantile Prices," at which he declares, according to the *Peking and Tientsin Times*, he wants the various chambers of commerce, civic associations, and other bodies to be represented so that the public desires may be threshed out.

General Chang-Tso-ling has returned to Mukden and the political phases of the new Cabinet's difficulties hinge on the position of Wu Pei-fu, who dominates the Yangtse Valley provinces. Wu has been active in his opposition to the Liang group, having issued a manifesto protesting against the moves of the new Cabinet, and having communicated with President Hsu direct with regard to the present situation ignoring the existence of the Premier. He has not as yet sent his congratulations and news reports predict that more trouble will grow out of the controversy. Wu is attempting to assemble a "people's conference," such as he advocated at the end of the Anfu regime, at Loyang to consider present questions and is reported to be sounding out certain disgruntled sections, particularly in the Yangtsze Valley.

Wu has also started a movement for a conference of military men, according to a Hankow dispatch, and has outlined as subjects for this conference, peace between the North and South, payment of the Chihli soldiers, and non-acceptance of any loan propose by Liang Shih-yi and his Cabinet unless it is approved by the majority of the Loyang Conference.

Three Chinese man-of-war from Shanghai and one from Nanking have anchored near the big salt trans-shipment point of Shiliwei, near Chinkiang, according to a report from the latter city, with the idea of making up their arrears in pay by collecting the salt revenue from the Hwai River and lake salt districts. One report observes that the movement is under suspicion in Peking as, not being authorized by that government, it may assume the proportions of, a naval movement to assist Wu Pei-fu.

Canton is silent for the moment, with the exception of a denunciation of the Liang Shih-yi Cabinet in accord the Shantung settlement rumor, asserting that the Peking group is selling out to Japan. The Southern government has also denied all reports of union with Peking and has announced that warrants have been issued for the arrest of Pemier Liang and President Hsu Shih-chang as "traitors." A second military conference at Kweilun has been called by Sun Yat Sen and it is said the Yunnan army will join against the North.

An estrangement of the British Minister and the present administration in Peking is reported with regard to the permission granted Butterfield and Swire to erect a floating bridge at Amoy. The British Minister, Sir Beilby Alston, did not join the other foreign representatives in the New Year's call upon the President and is said to have talked frankly to Chang Tso-ling during his visit to the British Legation with regard to the illegal purloining of airplanes by the Mukden warlord and similar matters, at the request of the General.

Events in Japan are overshadowed for the moment by the death of Marquis Okuma, as has been noted. For many years a prominent statesman, having filled the posts of Foreign Minister, Minister of Agriculture, Minister of Home Affairs, and Premier, Marquis Okuma was identified with many of the modern day policies of Japan. He has also written a number of books on historical and political subjects. His funeral will be a national one conducted in Hibuya Park, Tokyo, after the body has been kept in state for three days.

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19-306

An agitation has sprung up against the Japanese government with regard to the Quadruple Agreement, according to the *Japan Advertiser*, and the Privy Council is assuming a critical attitude. The *Chugai Shogyo* is quoted as announcing that Privy Council has lodged a protest with the government demanding an explanation of the action of the delegates, to which the government has not replied. The comment made is that the ratification of the entente pact acknowledges a transgression on Japan's sovereignty, and that under the agreement Japan would be forced to consult the other parties to the treaty before defending her own shores. The attitude of the Cabinet is given as interpreting the pact in the light that Japan proper and her imperial domains are not included.

Japan is actively concerned over the French submarine stand, according to a Tokyo report, and the Cabinet is understood have instructed the Washington delegates to seek a separate solution of the problem of undersea craft.

A mass meeting to protest against increased unemployment anticipated as a result of the Washington Conference to limit armaments and curtail the activities of Japan's shipyards was prevented by the Tokyo police on January 6. The laborers, however, were permitted to distribute pamphlets and handbills outlining their stand, reports say.

The Tokyo Central Postoffice in Marunounchi, consisting of five buildings and an annex, was destroyed by fire on January 4, with a total loss estimated at Yen 1,000,000. A large amount of the domestic mail was removed before damaged and the foreign mail was undisturbed.

Less expenditures in the colonial possessions of Japan is shown by the budget proposed for 1922-1923, which was made public of January 3. The expenditures on Formosa have been reduced to 9,000-000 yen, the Kwantung Leased Territory will receive 150,000 yen, and Saghalien 4,000,000 yen.

An interesting expression of opinion with regard to Japan's martial spirit has been made during the week by the Minister of War to the press. The *Public Ledger-China Press* resume of the statement follows:

> Lieutenant General Yamanashi, Minister of War, in a statement issued to the press today, decries the tendency of politicians in their anxiety to remove the stain of militarism from Japan's escutcheon, to belittle "the martial spirit of Japan," which was essential to the peaceful expansion of the nation as it is in wartime.
>
> "It is wrong to consider the martial spirit incompatible with limitation of armaments," he says. "If the nation is to advance or even hold its own in the industrial competition, which will necessarily follow the establishment of world peace, its martial spirit must be expanded and intensified to just such a degree as the actual armaments are reduced."

Siberia shows little activity in the news with the exception of the representations made by the Chita delegation at the Washington Conference regarding the alleged alliance between Japan and France. A *Reuter* report from London, originating at Moscow via Riga, says that a Russo-Mongolian treaty has been concluded. The contracting parties are reported to have agreed to mutual recognition, to undertake to prevent the existence of organizations within their boundaries hostile to the other, and to guarantee most favored nation treatment, A trade agreement, it is said, is expected within a short time which will enable the Bolsheviki to obtain a large amount of food from Mongolia

The White Guard are advancing from Blagoves-, chensk along the Amur River toward Harbarovsk according to a *KoKiusa* report. The report also tells of a new anti-Chita uprising rumored as originating in the Seya region on the Amur railroad.

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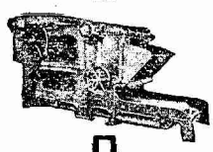
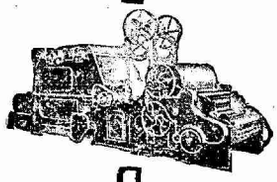
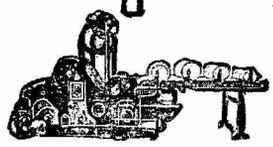
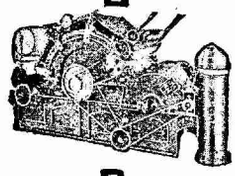
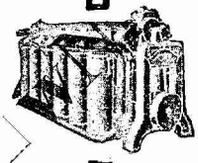

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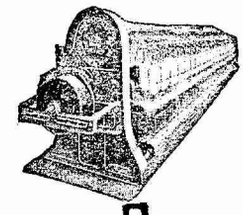
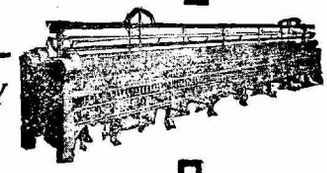
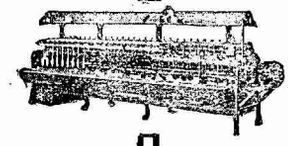
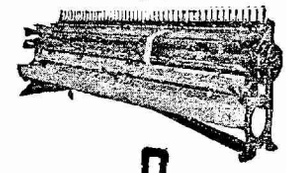
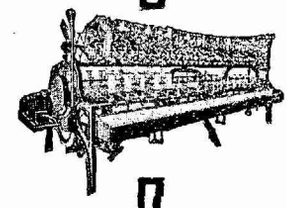

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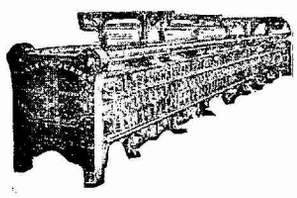
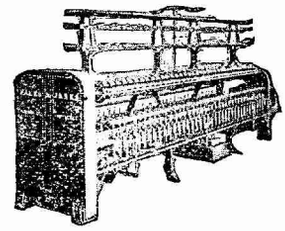
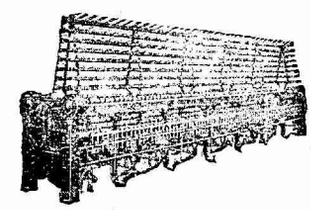

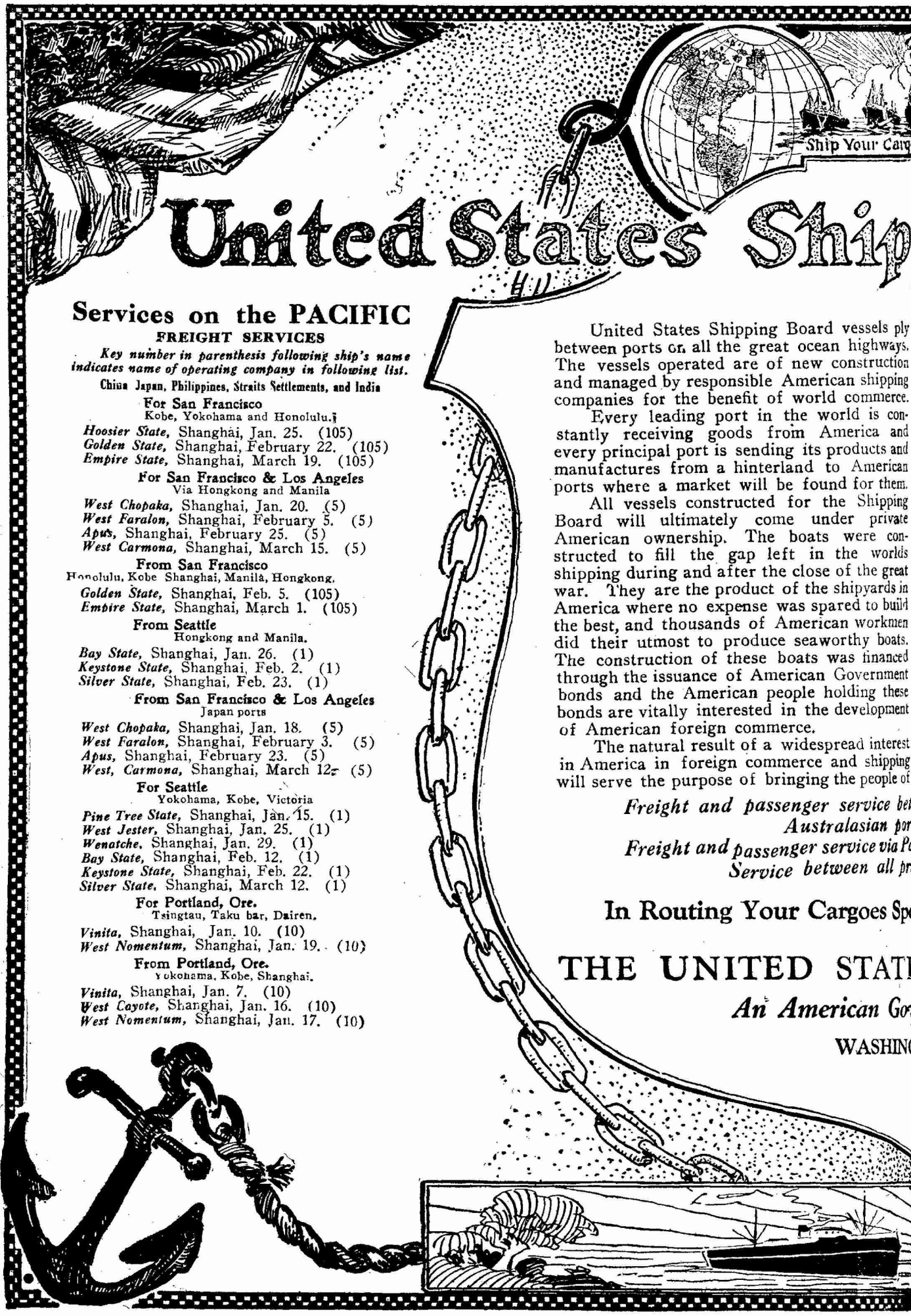

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Empire State, Shanghai, March 19. (105)

For San Francisco & Los Angeles
Via Hongkong and Manila

West Chopaka, Shanghai, Jan. 20. (5)
West Faralon, Shanghai, February 5. (5)
Apus, Shanghai, February 25. (5)
West Carmona, Shanghai, March 15. (5)

From San Francisco
Honolulu, Kobe Shanghai, Manila, Hongkong.

Golden State, Shanghai, Feb. 5. (105)
Empire State, Shanghai, March 1. (105)

From Seattle
Hongkong and Manila.

Bay State, Shanghai, Jan. 26. (1)
Keystone State, Shanghai, Feb. 2. (1)
Silver State, Shanghai, Feb. 23. (1)

From San Francisco & Los Angeles
Japan ports

West Chopaka, Shanghai, Jan. 18. (5)
West Faralon, Shanghai, February 3. (5)
Apus, Shanghai, February 23. (5)
West, Carmona, Shanghai, March 12. (5)

For Seattle
Yokohama, Kobe, Victoria

Pine Tree State, Shanghai, Jan. 15. (1)
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Wenatche, Shanghai, Jan. 29. (1)
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Hongkong via Manila.
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Empire State, Shanghai, March 1. (105)

For San Francisco
Via Japan Ports and Honolulu.
Hoosier State, Shanghai, Jan. 25. (105)
Golden States, Shanghai, February 22. (105)
Empire State, Shanghai, March 19. (105)

For Seattle
Japan Ports and Victoria B. C.
Pine Tree State, Shanghai, Jan. 15. (1)
Wenatchee, Shanghai, Jan. 29. (1)
Bay State, Shanghai, Feb. 12. (1)
Keystone State, Shanghai, Feb. 22. (1)
Silver State, Shanghai, March 12. (1)

From Seattle
Manila via Hongkong.
Wenatche, Shanghai, Jan. 12. (1)
Bay State, Shanghai, Jan. 26. (1)
Keystone State, Shanghai, Feb. 2. (1)
Silver State, Shanghai, Feb. 23. (1)

From San Francisco.
Honolulu, Manila, Saigon, Colombo, Calcutta, Singapore.
Creole State, Manila, Jan. 12. (105)
Wolverine State, Manila, Feb. 12. (105)

(1) **The Admiral Line**
Nanking and Kiangsi Roads, Shanghai. C. 5971
Manila, Singapore, Hongkong, Kobe, Yokohama, Seattle, New York.

(5) **Struthers and Barry**
7 Jinkee Road, Shanghai, C. 5017 & 5018.
Yokohama, Kobe, Hongkong, Manila.
San Francisco, Seattle, New Orleans, New York.

(10) **Columbia Pacific Shipping Company,**
6 Kiukiang Road, (4th floor), Shanghai, C 463-4
Yokohama, Kobe, T'tsin, Dairen, T'tao, Portland.

(15) **American Trading Company,**
Robert Dollar Building, (5th Floor)
Yokohama, Kobe, Hongkong, Manila, New York, Seattle, San Francisco.

(105) **Pacific Mail Steamship Company,**
18 Nanking Road, Shanghai. C 5056-5053
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A fusion of several government branches has been recommended by a finance commission of the Philippine government, which has submitted a written report. The members of the legislature have been asked, by Governor-general Wood, not to act until the report is received, according to the *Manila Times*. The move aims at increased efficiency with a decreased expenditure. A budget system is also recommended. The land registration office will become a division of the bureau of lands, the report says, with the Philippine Museum and Library as well as the Philippine General Hospital going to the Philippine University. Other changes include the merging of the bureau of prisons with the constabulary, the transferring of the public utility commissioners' office to the bureau of customs, the bureau of forestry constituting a division of the bureau of science. The bureau of labor will become the statistics bureau and the census bureau will be turned over completely to the new organization. The mint will be turned over to the treasury and the bureau of commerce and industry will become a part of the treasury, customs and statistics bureaux.

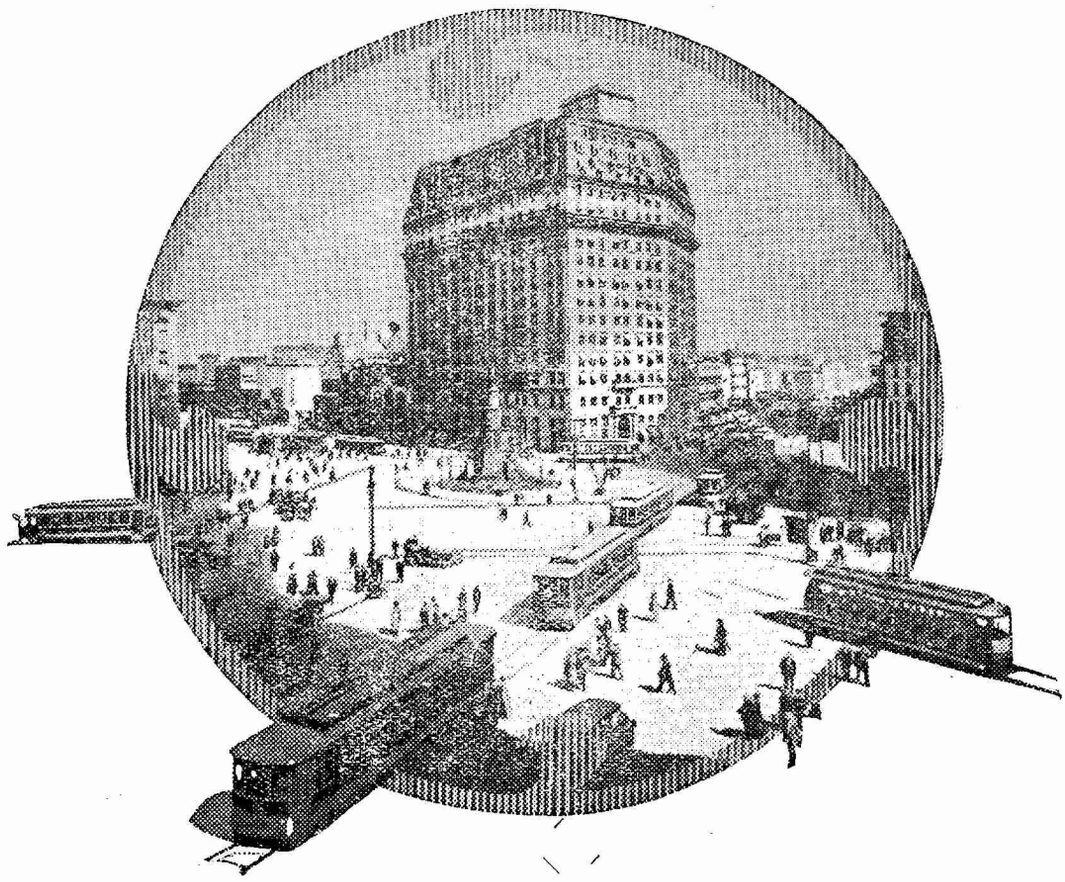
No change has occurred in the leadership controversy between Osmena and Quezon but the *Times* quotes an unnamed informant to the effect that the people desire a continuance of the old leadership. Osmena has opposed the suggestion of General Wood that important bills in the Philippine Legislature be given out in English, especially to the press, on the grounds of increased expense and impraticability.

Rizal Day, in commemoration of the death of Dr. Rial, the patriot, was celebrated pretentiously in all parts of the islands on December 30, according to the *Manila Daily Bulletin*. A parade of more than 20 floats and 15,000 persons was given in Manila.

Who's Who in China

H. H. Kung, a successful Chinese banker.

(孔祥熙)



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11-50

19-311

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H. H. Kung, was born at Taikuhsien, Shansi. He was sent to America in 1901 by Viceroy Li Hung-chang for Western education. In 1906 he obtained the degree of B. A. at Oberlin College. The following year he received the degree of M. A. from Yale University.

Mr. Kung returned to Shansi in 1907, where he organized the Shansi Oberlin Memorial College, of which he has since been president. He is an active Christian and is chairman of the Y. M. C. A. in Taiyuanfu.

During the first revolution in 1911 he became the civil and military head of the Taikuhsien district, and kept that rich historic banking center in order.

Mr. Kung is adviser to the "model Governor" Yen Hsih-shan, of Shansi, and a leading promoter in the industrial development of his native province. He is on the directorate of many banks both in Shansi and elsewhere.

During the recent famine he helped to organize the Chinese Foreign Famine Relief Committee in Shansi, sitting also on the Famine Relief Road Commission. He was instrumental in bringing about the construction of roads in the province of Shansi by the Red Cross Famine Relief Committee.

Mr. Kung is a close friend of Sir John Jordan, and the successive American Ministers at Peking, Dr. Reinsch, Dr. Tenney, and Mr. Crane.

Mrs. Kung is the elder sister of the wife of Dr. Sun Yat-sen, the President of South China.

New Foreign Secretaries Arrive on Field

Foreign residents in China will be particularly interested in the arrival of Miss Nora Parks Jarvis who comes to join the foreign staff of secretaries of the Y. W. C. A. in China. Owing to the fact that Miss Jarvis' great uncle was Sir Henry Parks, whose statue now stands on the Bund in Shanghai, and who was a prominent figure in the early days of foreigners in Shanghai, and is also the granddaughter of Dr. William Lockhart, founder of Peking University, she has always been vitally interested in China. Lockhart Hall, at Peking, is now being used by the premedical school of the Peking Union Medical College.

Next autumn Miss Jarvis will be associated in the department of physical education of the National Y. W. C. A. in Shanghai. She has come to China from the United States where she has been teaching physical education for the past seven years at Goucher College, Baltimore, and at Bryn Mawr College, where during the past summer she was director of the physical educational department for industrial workers. Miss Jarvis is a graduate of the Osterberg Physical Training College in Kent, England, and of the Cecil Sharp's School of Folk Dancing. Previous to her work in the United States, Miss Jarvis taught gymnastics in South America for six years.

Three other new foreign secretaries on the staff of the Young Women's Christian Association have also arrived in China: Miss Fanny Pomeroy Brown, Miss Nora Waln, and Dr. Louise Morrow. With

19-312

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CALCUTTA—C-6 Clive Buildings

AMERICAN EXPRESS

the exception of Miss Brown, all are now in Peking beginning the study of the language at the North China Union Language School. Dr. Morrow will remain in Peking after her term of language study, assisting in the Y.W.C A. social service department, while the other three secretaries will take up their work in Shanghai.

China's New Year Litany

From the Standpoint of Sino-Foreign Co-operation

By Francis Zia

I.

Because human nature is the same all over the world and two wrongs cannot make one right, foreign Friends of the West, we believe in you!

Because, a prosperous, successful China means not only the happiness and welfare of the Chinese people but will be a significant factor of international economic betterment, we believe in you! Because the real culture of the world is ultimately to be the, combination of the best cultural elements of the Orient and the Occident, we believe in you!

Because a knowledge of China and things Chinese will not only add to the achievement of your big plans in this country, commercially, educationally industrially and financially, but will give you infinite moral satisfaction in joining the crusade of dispelling the clouds of misunderstanding regarding the Chinese Republic, we believe in you!

II

When we suffer at the hands of the unscrupulous mandarins and unruly Tuchuns or Super-Tuchuns, and when, being unarmed and unfamiliar with military tactics, we cannot at once get rid of these parasites, give us your moral support!

When we are bullied by aggressive aliens who trample on our sovereign rights and whose ascendancy in the military sense will be sooner or later a death-blow to your commercial activities, give us your moral support!

When we want to put an end to abnormal conditions such as extra-territoriality, foreign concessions, restrictions on our Customs tariff, etc., and when at the same time we declare that we are not going to ask you to give up a single privilege unless we can offer you in return something as a whole which is equally good, if not better, on the principle that abnormal conditions should not be allowed to outlive their real usefulness and genuine necessity, give us your moral support!

When we are loud in protesting against the malicious talk of international control of China because we maintain that we have indeed accomplished things that upon close analysis will be found admirable during the brief period of ten years of our republican evolution amidst overwhelming handicaps occasioned by the interference and obstruction of reactionary forces who, realizing the fact that their day of influence has gone for ever, are trying in vain to stem the tide of modernization, and because we also maintain that our well-meaning but not practical foreign critics are not treating Chinese questions from the fair and impartial standpoint, when they compare present Western conditions with those of China to-day without giving due thought to the situation that a few decades or centuries ago the West was a very different world and that the thousand and one modern conveniences are the fruits of the inventive genius and scientific achievements of men of comparatively recent history, dear friends of the West, give us, give us your *moral* support,

The Reason

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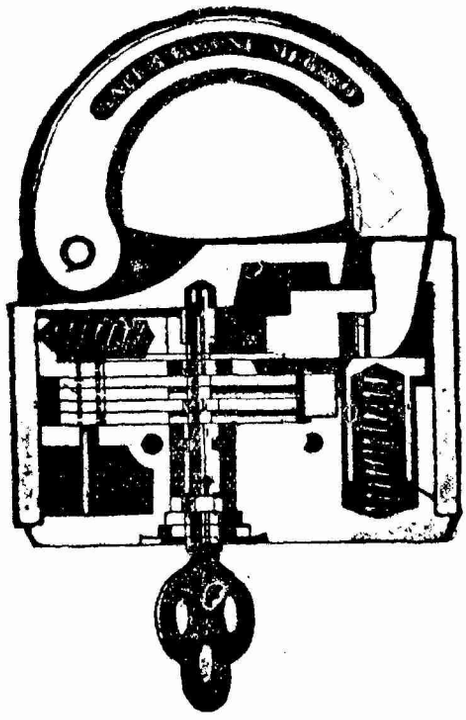

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The Chinese Women's Message to Daughter's of American Revolution

The message to the Daughter's of the American Revolution from the women of China published in the *Review*, of November 26, which stated the message was transmitted by Mrs. C. H. Minor of Peking, at the New York headquarters, was not delivered by her, according to word received from Mrs. Minor at London. Apparently there was some mistake in the Mrs. Minor, as according to copy, a Mrs. C. H. Minor is president of the society in New York and had recently returned from China, at that time, bringing the message.

Men and Events

George C. Hansen, American Consul at Foochow, will succeed Douglas Jenkins, American Consul at Harbin, while Mr. Jenkins is in America on home leave.

"Is the Universe Infinite?" was the subject of a lecture by Dr. H. Chatley at a meeting of the Quest Society on Monday afternoon, January 9, in the hall of the Royal Asiatic Society.

The monthly meeting of the executive committee of the board of managers of the Shanghai American School was held on Wednesday afternoon, January 11, at 4 o'clock at the school, 172-A North Szechuen Road, Shanghai.

Among those who returned to Shanghai on the *s. s. Hoosier State*, on Sunday, January 8, were Mr. and H. B. Lane, of Andersen, Meyer and Company, accompanied by Mrs. Lane and family; and W. A. Reed of the Standard Oil Company and Mrs. Reed.

A daughter, Natalie Pyke, was born to Mr. and Mrs. N. A. Thompson, at the Peking Union Medical College, Peking, on Monday, January 9. Mr. Thompson is a member of the staff of the Standard Oil Company, Shanghai, only having recently left for North China.

Dr. and Mrs. Kupfer, founder of the William Nast College, Kiukiang, were given a welcome reception at the college, Kiukiang, on January 3. Dr. and Mrs. Kupfer are returning from a furlough of five years. The local magistrates, chief of police, and members of the Kiukiang Educational Association were present. Music was furnished by General Wu's band, preceding the program.

Twenty-three Chinese delegates to the Pacific Conference arrived in Shanghai this week on the *s. s. Wenatchee*. The party was comprised of advisers, technical commissioners, secretaries and staff and included; Win Kan-lo, Y. C. Chang, techincal commissioners, General C. Y. Liu, P. Y. Wu, D. D. Yu, Y. C. Liu, L. L. Huang, T. N. Yeng, and Thomas King, secretaries. Most of the delegates are staying at the Great Eastern Hotel.

According to word received John D. Rockefeller, Jr., has arrived in America from his trip to the Orient, after attending the dedication of the Peking Union Medical College, of the Rockefeller Foundation buildings. Mr. Rockefeller expressed great hope in the establishment of a sound government in Peking, and was greatly impressed with the attitude of the Chinese toward our undertakings. He also stated that he found an enormous scope for rejuvenating a nation that had reached practically the lowest level of public health.

The brief report sent out by the Chekiang and Industrial Bank, Limited, Peking Road, Shanghai, states that the profit for the first half of the year of 1921 was $160,386.32, and profit for the second half of the year 1921 was $171,808,88; thus making the total profit for the entire year of 1921, $332,195. 20. The detailed report for the year is now being published and will be ready for distribution at an early time. The profit of the year 1920 as compared with 1921, $291,609.13, showing a profit for last year of more than $40,586.08.

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19-317

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19-318

Rev. J. E. Walker, a member of the Shaowu Mission, engaged in foreign service at Shaowu, Fukien province, was the guest of honor on December 6, at an assembly of many Chinese and foreigners of that district in celebration of his eighteen birthday. Mr. Walker has been in Mission work in that particular province since 1876. On this occasion he was presented with flags, banners, mottos framed, and which numbered fifty in all. Mr. Walker will celebrate his eightieth birthday on January 28. On one of the pictures was inscribed seventy-two names, of churches, chapels, schools, etc., representing a membership of nearly 1,000 Christians.

C. W. Woodworth, head of the research division of the Department of Entmology, University of California, recently arrived in Shanghai. Mr. Woodworth has come to China to establish a bureau of entomology in Kiangsu province for the government. Mr. Woodworth will establish offices in Peking, with headquarter offices in Nanking, according to the report. Mr. Woodworth, who is widely known as an entomologist in the United States, will do pioneer work in the study of insects in Kiangsu province, as nothing has been systematized so far. Working with him will be several of his former students from the University of California, who will act as his assistants. He plans to spend about four years in China and has been granted indefinite leave from the University of California.

News from North China

The British bachelor members of the Peking Club are giving a dance in the Club on the evening of January 21.

By a Presidential Mandate issued on January 5, Tsao Julin was appointed the High Industrial Commissioner to succeed Yeh Kung-cho.

Marshal Chang Tso-lin left Peking on the morning of January 2 for Mukden which his presence is urgently required in view of the serious situation in Eastern Siberia.

Marshal Chang Tso-lin arrived at Mukden on the afternoon of January 3. Immediately upon his arrival, he received General Sung, retiring President of the Chinese Eastern Railway, for consultation.

The Bank of Commuuications resumed full specie payment of its notes on January 6. It is said that the bank has been saved from bankruptcy through the financial assistance of Marshal Chang Tso-lin.

By a Presidential Mandate issued on January 4, Wang Nai-ping, ex-Minister of Agriculture and Commerce, has been appointed Director-General of the Chinese Eastern Railway, replacing Sung Hsiao-lien.

Chen Kuang-pin, Chinese unofficial representative at Moscow and Chita, has returned to Peking. According to him, some twelve-thousand Chinese have been repatriated from Soviet Russia during the past year.

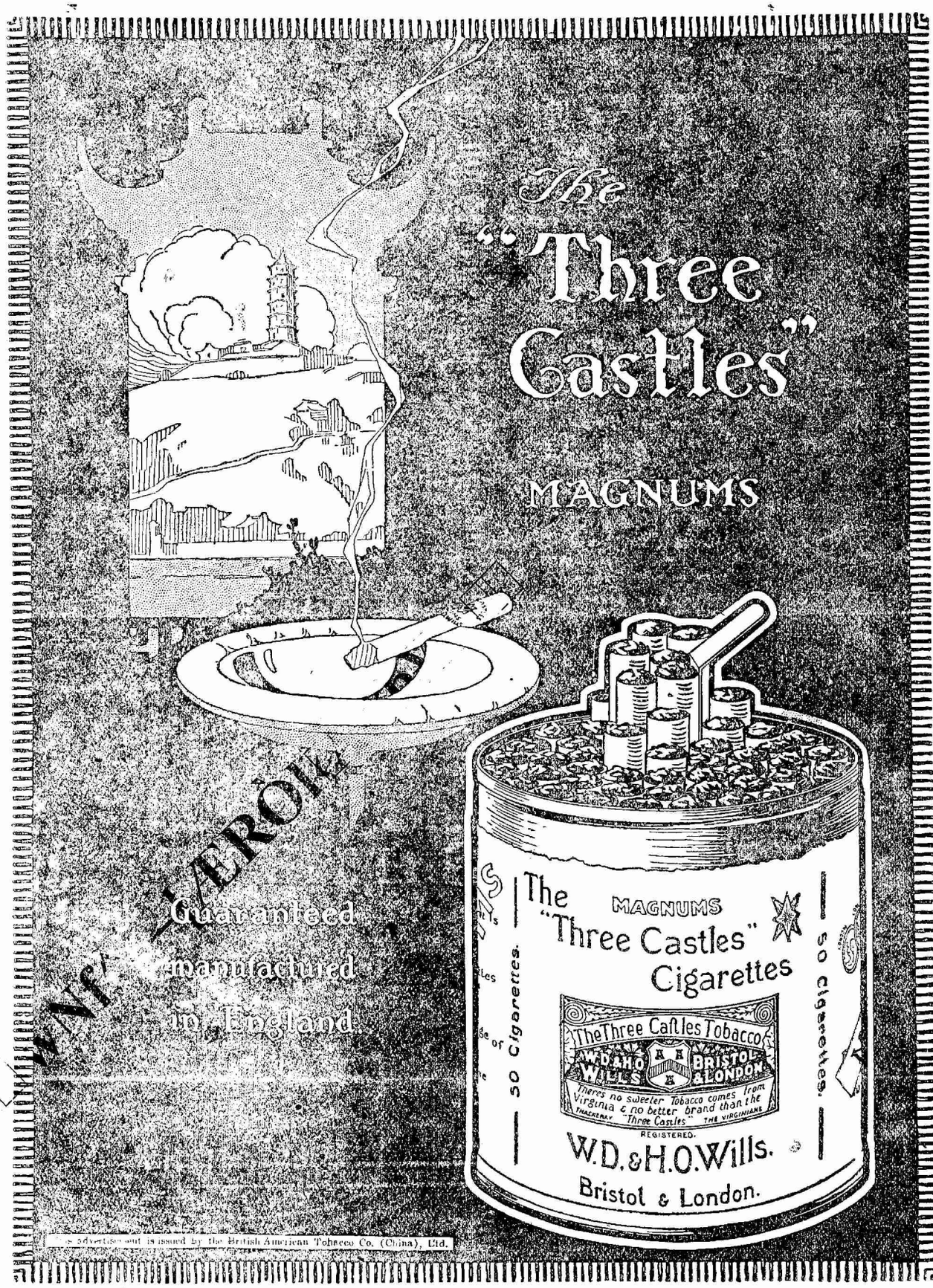
Certain members of the new Cabinet are giving out a story that negotiations have been opened with the New Consortium for a loan of 90,000,000 dollars with the proceeds of which to adjust foreign and domestic loans.

The Cabinet meeting held on January 5, accepted the resignation of Liu Shih-hsun, Vice-Minister of Foreign Affairs, who resigned under the pretext of illness, and confirmed the appointment of Shen Jui-lin to be his successor.

As usual, a tea party will be held at the Presidential Palace on January 14 in honor of the members of the Diplomatic Corps and other prominent foreigners in Peking. The guests will be entertained by the performances of the first class actors.

Morgan Palmer of the Salt Gabelle has arrived in Peking after six months home leave. He is accompanied by his mother, who with the late Lieutenant Colonel Franklin Palmer and their other sons spent some months in China several years ago.

On the evening of January 6, the fifth lecture of the Peking Union Medical College lecture course was given in the College Auditorium. Dr. G. T. Candlin of the Peking University School of Theology spoke on "The Rise and Collapse of the Roman Empire."



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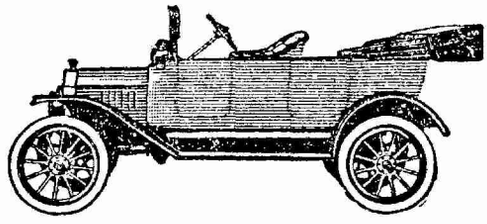

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19-320

It is reported in Chinese official circles that Mr. Feng, the Commissioner of Foreign Affairs at Amoy, is about to be removed from his post, The Chinese government is awaiting fuller reports before settling the dispute with England that has arisen at Amoy.

Mr. Obata, Japanese Minister, called on Dr. W. W. Yen at the Foreign Office in January 5, in connection with the existing Sino-Japanese deadlock about the Shantung negotiations in Washington. It is said that this call will have a strong effect upon the present issue.

The American Marine football eleven, champions of North China, together with the substitutes, coaches, officers and rooters, returned to Peking from Shanghai on the evening of January 5. A royal welcome was given to the party by the American Marine Guard.

Colonel Sherwood A. Cheney, successor to Lieutenant-Colonel W. S. Drysdale as military attache to the American Legation, and Mrs. Cheney arrived in Peking on the evening of January 3. Colonel Cheney is an officer in the engineers and had a distinguished record during the War.

Owing to administrative difficulties and additional expenses that co-education would give rise to, the Board of Directors of the Tsing Hua College has rejected the suggestion sent in by the Tsing-Hua Co-education Association recommending the introduction of admission of girl students.

The formal opening of the new Sino-Scandinavian Bank in Peking will take place on January 7 when the President, Vice-Presidents and Directors of the Bank will be at home to invited guests in the morning. The Peking headquarters of the bank are located at 22 Chiang Hsiang Hutung, outside of Chien Men.

Two plays will be given by the Christian Association members on the evening of January 8 in the auditorium of the P. U. M. C. The girl students will give a fantastic character study, entitled "Mother Goose Inn" and the boy students, a translation from the French play "Platelin." Both plays will be in English.

Various organizations in Shantung held a meeting at the Chamber of Commerce, Tsinan, on January 4, and passed a resolution demanding all the factories owned by Japanese in Tsinan to be closed down, Japanese residing in the native city to leave and a boycott against Japanese goods. The agitation is started by students.

The Central government is in receipt of a telegram from the Provincial Assemply of Heilungkiang Province reminding the government that the "Thirty-six Villages" in the region of Aigun were taken from China by the Tsarist government and demanding it to recover this territory in the event of negotiations with the Russian representatives.

The Hunan Procincial Assembly has finally ignored the will of the people and has sanctioned the bill submitted by the provincial authorities advocating the imposition of the land tax of the 11th Year of the Republic. Public opinions are strongly against it and many of the members of the Assembly have recently been appointed city magistrates.

General Wu Ping-hsiang, for Chief of the Metropolitan Police, who was dismissed year before last in connection with the Chihli Anfu troubles, will be appointed Governor of the Metropolitan District with authority to cooperate with the Chief of the Metropolitan Police and the Commander of the Gendarmeris for the preservation of order and peace in the capital.

Pardon has been granted to ex-Generals Tuan Chih-kuei Chang Shu-yuan, Chu Tung-feng, Liu Hsun, Chen Wen-yun and Wei Chung-han, ex-Commanders of the defunct Anfu troops, who fought against the combined Chihli-Fengtien armies around Peking last year. All the civilian members of the Anfu refugees, including "Little Hsu," are excluded from this pardon.

At the request of the National Highway Construction Association headed by Dr. C. T. Wang, the President in Peking has issued a mandate instructing the civil and military authorities of the provinces to cooperate with the gentry, and merchants for the gradual construction of modern roads with the object of facilitating industry and commerce both internally and externally.

At a meeting held on January 4, in the office of A. B. Fisk in the Chinese America Bank of Commerce, Tientsin, an American Legion Post was formed to be known as the Sigerfoos Post. The name was taken in honor of Colonel Sigerfoos, who was at one time Commanding Officer of the 15th Infantry stationed in Tientsin. He went to France as a Brigadier General and died in action.

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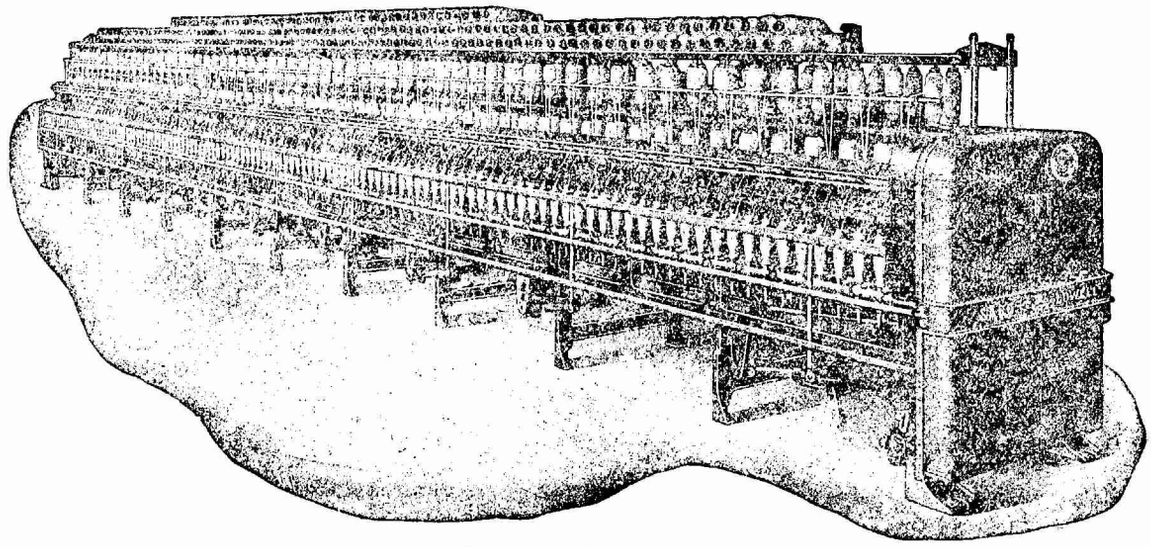

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19-321

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The Peking-Hankow route joins the main line of the Peking-Mukden Railways at Fengtai, connecting by so doing with the railways of Manchuria, Korea, Japan and Siberia. Steamer service at Hankow brings it into easy communication with Yangtze River ports and Shanghai.

From Peking to Hankow is a journey of 34 hours, by the daily express train, which has modern dining and sleeping car accomodations.

Few summer resorts in China can compare in natural charm of views and comforts afforded with Chikungshan Mountain, whose summit reaches an altitude of 1980 ft. A serpentine road climbs the mountain from Sintien Station, 110 miles from Hankow, on the summit of which are beautiful bungalows awaiting vacationists.

One of the most impressive sights in China, the Western Tombs may be reached by a branch line which was built exclusively for the use of the former Imperial Sovereigns to visit the tombs of their ancestors. The site of the beautifully adorned Imperial Tombs, which include the mausoleums of four Manchu Emperors, three Empresses and a number of Princesses, is close to the Liang Ko Chwang Station, 79 miles from Peking. The region is justly appreciated for its charming, Oriental scenery and atmosphere.

ABRIDGED TIME TABLE

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1 Direct W.L.B. 1.2.3.cl.	3 Sem-dir W.L.B. 1.2.3.cl.	STATIONS.	2 Direct W.L.B. 1.2.3.cl.	4 Sem-dir W.L.B. 1.2.3.cl.
8.00	21.00	dep. Peking Chienmen.....arr.	21.35	7.55
8.18	21.18	,, Paomachang .....dep.	21.19	7.39
8.58	21.50	,, Changsintitn ..... ,,	20.52	7.14
9.47		,, Liuliho..... ,,	19.58	
10.40		,, Kaopeotien ..... ,,	19.04	
12.34	0.43	,, Paotingfu ..... ,,	17.23	4.24
16.30	3.57	,, Chengtingfu ..... ,,	13.22	1.08
17.36	5.03	,, Shihkiachwang ..... ,,	12.11	0.02
21.27	8.07	,, Shuntehfu ..... ,,	8.33	21.15
0.11	11.41	,, Changteh Ho..... ,,	5.29	17.30
2.48	15.04	,, Sinsiang..... ,,	2.52	14.13
6.13	17.58	,, Chengchow..... ,,	0.26	11.24
7.24	20.48	,, Hsuchow ..... ,,	22.15	3.33
9.14	23.04	,, Yencheng ..... ,,	20.35	6.43
11.11	0.44	,, Chumatien ..... ,,	18.16	4.45
14.09	3.12	,, Sinyangchow..... ,,	15.09	2.13
15.26	4.19	,, S'tien(Chikungshan) ,,	13.46	1.03
18.56		,, Sinokan ..... ,,	9.55	21.50
20.50	9.15	arr. Hankow Tachimen... ,,	8.00	20.00

19-322

Anti-foreign demonstrations with anti-American turn are reported as occurring in the interior province of Shensi during Christmas week in letters reaching Peking. Displeasure with the progress of the Pacific Conference on the part of the Chinese is given as the cause of the demonstration, which were mainly staged by students but which are said to have been secretly abetted by Tuchun Feng.

With the two-fold object of making the cause of scoutting in China better known to the public and of raising a fund to purchase some necessary apparatus, the Tsiang Hua Scout Association gave a performance at the Chen Kuang Theatre, Peking, on January 2 and 3. The program consisted of: stationary exhibits; "The League of Youth," a pageant; "Treasure Island," an unauthorized version of Stevenson's work in four scenes; and moving pictures. Music was furnished by the Scout band.

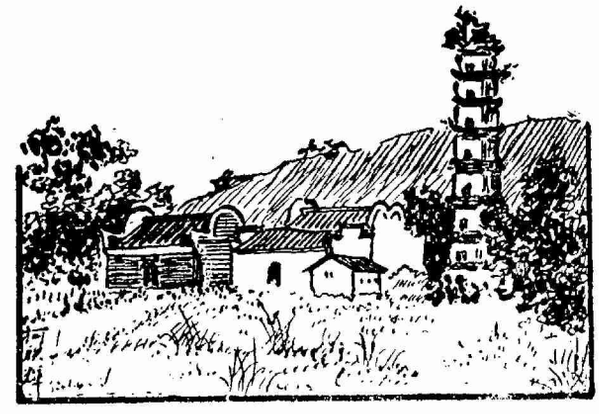
Appointment of C. S. Liu as Director-General of Railways has been confirmed and Mr. Liu has already assumed office. Mr. Liu is a graduate of the University of Pennsylvania and has served long in the Ministry of Communications and at one time had all of the railway accounts of the Ministry under his supervision. More recently he has served as co-director of the Chinese Eastern Railway. Both Chinese and foreigners in Peking are commenting favorably on Mr. Liu's promotion.

The Ministry of the Interior and the Ministry of Communications issued a joint order concerning the reduction of the Likin and the transportation trariffs by the various railways for the importation of rice, wheat and other cereals to Peking from outside ports for the relief of the poor people puring the coming old Chinese New Year which falls on January 28. The Ministry of the Interior has for the same purpose ordered a reduction of the interest on warm clothes and beddings by all the pawnshops.

On New Year Day most of the Foreign Ministers, either in person or through specially appointed representatives, followed the regular custom of calling upon the President of China to pay their respects. There was one exception: no one from the British Legation went to the President's palace on that day. It is later confirmed that the failure of the British Minister to call upon the President on that occasion was due to the failure of the Chinese government to take action in connection with the Amoy hulk case.

Further reductions in the staff of the Ministry of Finance are contemplated by the new Minister Chang Hu. Before Christmas, the Minister dismissed over 300 persons most of whom had been hitherto holding sinecure positions in the Ministry. This time the minor clerks and copyists, more than one hundred of them, will be discharged. The salaries of these minor officials who are on the slate for dismissal amount to $10,000 per month, and this will be an actual saving of $120,000 per year unless Chang Hu follows the example set by all of his predecessors and fills the posts vacated with men from his own "pockets."

Peking, January 6, 1922.



中國留美學生月報

THE

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News from Central China

The Hankow General Chamber of Commerce has been informed by the local Commissioner of Foreign Affairs that a party of American business men are expected to visit the Wuhan center on their tour of inspection in China.

A branch of the Bank of Agriculture and Commerce, with head office at Peking, will soon be opened in Hankow according to information from the Bureau of Economic Information of Peking. The bank has been established with a capital of $1,000,000, most of which was supplied by Chinese financiers of Peking. The Hankow branch will probably open business within January.

The director of the Hankow Reconstruction Bureau has appointed a committee of land surveyors to investigate and estimate government properties in form of suburban land beyond the Hankow city, and to make priliminary reports on a tentative plan of development. On account of lack of funds, active work of construction will have to be delayed for a considerable time to come.

The steamer *Changwo* of the Indo-China Navigation Company, while bound up river from Hankow on Christmas day, went hard on the Man Pao Shih rocks below Yochow. At the time of accident, December 27, the vessel had sufficient way to pile her up very effectually and to cause a very great amount of damage to her hull, thus making salving operations extremely difficult.

The yellow bean crops of Hupeh districts this year have been unsuccessful, owing to many producing districts having been inundated during the last summer war between Hupeh and Hunan. The total production is off by 30 percent, although Hupeh produces some 1,200,000 piculs of yellow beans annually. About 500,000 piculs of the total production are exported from Hankow in a year.

Low water season has well advanced in the upper Yangtze gorges where shallow water makes navigation by large river steamers risky and almost impossible. The steamer *Hsiakiang*, while proceeding from Ichang to Chungking, struck the rocks near Chungchow, and as a result of the accident, has lost her rudder. Her passengers have been taken to their destination by another steamer.

Members of the Wuhan Music Club of Hankow gave their annual dinner on December 28, in St. Paul's Cathedral at which were present many of their friends and guests, Chinese and foreign. The membership list of this Club, organized under the auspices of the Hankow Y. M. C. A., includes a number of Chinese, men and women, educated in America, as well as other English speaking Chinese and foreign friends.

The management of the Wuchang Weaving-Silk-Cotton and Hemp factories, now being operated by the Tso Hsin Corporation, will not be given over to military control, and upon the expiration of the lease term, same will be renewed between the company and the government. The factories have been running for about ten years with a growing scale of annual profits. The general superintendent, Shu Yung-ting, is the chairman of the Wuchang General Chamber of Commerce, besides being a financier and promoter of many industrial enterprises.

Representatives of the Wuhan Students Federation of Wuchang and Hankow approached the Japanese Consul-General, A. Segawa, Doyen of the Consular Body of Hankow, last week asking for permission to parade in the foreign concessions of Hankow in their demonstration against unjust settlements of China's problems at Washington. The request was refused by the Japanese Consul-General, who explained that concessions are the living and trading quarters of foreigners in port and therefore cannot admit of political agitations by Chinese students.

The British Consul-General of Hankow addressed a protest to the governors of Hupeh against the intrusion into the British Concession of Hankow by a band of Chinese agitators who parade there and distributed inflamatory literature in connection with the Washington Conference issues. The Consul-General adds that proper measures should be taken by the governors to suppress such movement in the British concession and should such demonstration take place again without his approval, Chinese authorities should be responsible for the consequences and damages.

A fresh terror is lurking in the Yangtze situation, now that General Wu Pei-fu is contemplating ousting Chao Heng-ti from the Tuchunship of Hunan having found him to be inclined toward the Canton government rather than faithful to Wu Pei-fu as he professes. The relation between Wu Pei-fu and Chao Heng-ti has never been really cordial;

They are mutually suspicious. Now Wu Pei-fu is seeking to replace Chao with General Chang Fu-lai, one of Wu's henchmen of the Yangtze. The Hunanese have long been resenting the stationing of heavy Chihli troops at Yochow by Wu Pei-fu, who means to keep a watch of his subordinate, General Chao.

The boundary stones separating the Japanese Concession in Hankow and adjacent Chinese territory have been found buried underneath the earth. The stones were recently unearthed by Chinese coolies working on a new Japanese road nearby. By order of the Japanese authorities, the inscriptions on the stones in Chinese and Japanese languages describing the boundary relations, were destroyed, thus making it difficult to trace the original demarcation. The Japanese concession is now expanding into Chinese territory without restraint, although the matter has been referred to their Consul at Hankow.

It is reported in Hankow that with the formation of the new Cabinet at Peking, the managing director of the Peking-Hankow Railway, Yu Jen-fung, will probably be removed from that line in order to please General Wu Pei-fu, who has been at loggerheads with the authorities of Kinhan on matters pertaining to fund and dismissal of officials. Mr. Yu will be transferred to be the director of the Tientsin-Pukow Railway, while the vacated post of Kinhan will be filled by the present chief of the Kinhan general department. Negotiations with Wu Pei-fu for appropriation of Kinhan fund for military purposes on the Yantze have failed to bring good results, Wu Pei-fu being irreconciliable in his arbitrary misappropriation of railway fund for military use. He is now in virtual control of the Kinhan line, in all practical ways at least, and is contemplating to this line the lion's bed of his power.

Some fifty Chinese breweries and wholsale wine merchants have stopped operations and closed their shops to strike against highhanded taxation by General Wu Pei-fu, whose agents are squeezing the wine trade in Hankow to milk out more money for their master. The wine merchants have been murmuring against additional taxation to raise money for military use, and seeing no opportunity for them to protect their trade from being stifled by militarists, they decided upon a general strike and close-down of the trade. Having gradually disposed of their stocks, the wine merchants and breweries have stopped the production of wine, and therefore Hankow goes dry during the period of strike. Heavy losses are being sustained by wine merchants who are suffering from Tls. 3,000 to Tls. 30,000 by thus stopping their business before the China New Year. Their petition to the provincial wine revenue department have been unheeded showing that the new tariff is to be put in force at any cost,

A sum of $100,000 having been allocated to Hankow by the International Famine Relief Committee at a recent meeting at Shanghai, the Hankow committee are petitioning the provincial authorities for permission to join with the government in their endeavor to reconstruct the inundated dikes along the Han River, the artery of trade joining a large number of agricultural districts with Hankow and the Yangtze. The plan of construction of the Hankow includes a provision that a like sum should be raised for the construction work before the Committee finds at worth while to cooperate with officials in the work. The dike construction assigned by the Shanghai meeting for the $100,000 include the broken dikes at Wangchiayin, where solid dikes will provide the best preventive measures against future floods. In case the proposal is disapproved by officials, the committee will proceed to devote the money for famine relief purpose in Hupeh.

Negotiations have been concluded by General Hsiao Yao-nan by commanders of Szechuen for a final peaceful settlement of the Hupeh-Szechuen hostilities which resulted in a civil war last autumn. General Hsiao has been instructed by his superior, General Wu Pei-fu, High Inspecting Commissioner of Hupeh and Hunan, who intends to settle the Yangtze situation peacefully. It is also reported that while Liu Hsiang, commander-in-chief of Szechuen, has come to terms with Wu Pei-fu, there are a number of Kuomintang agents now actively plotting against Hupeh in conjunction with Canton's anti-Peking expedition. They are now trying to buy huge amounts of ammunitions of war and other preparations for open hostilities are also discernible. On December 23, several regiments of Szechuen troops started their attack on Wu Pei-fu's Chihli troops now stationed above Ichang. The attackers were driven up the gorges by Wu's man, who are now occupying important posts along the Hupeh-Szechuen frontier,

Hankow, December 31, 1921.

International Banking Corporation

CAPITAL, SURPLUS, & UNDIVIDED PROFITS: U. S. $14,000,000

OWNED BY THE NATIONAL CITY BANK OF NEW YORK.

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London Office: 36 BISHOPSGATE E. C.
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YOKOHAMA
KOBE

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BATAVIA
SOURABAYA

PHILIPPINES
MANILA
CEBU

SPAIN
BARCELONA
MADRID

STRAITS SETTLEMENTS
SINGAPORE

DOMINICAN REPUBLIC
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SANCHEZ
SAN FRANCISCO de MACORIS
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VALPARAISO

CUBA
HAVANA
AND 22 BRANCHES

ENGLAND
LONDON

ITALY
GENOA

PERU
LIMA

PORTO RICO
PONCE
SAN JUAN

RUSSIA
MOSCOW } Temporarily
PETROGRAD } Closed

URUGUAY
MONTEVIDEO

VENEZUELA
CARACAS

Commercial and Travellers' Letters of Credit, Bills of Exchange and Cable Transfers bought and sold. Current accounts opened and Fixed Deposit in local and foreign currencies taken at rates that may be ascertained on application to the Bank.

N. S. Marshall, *Manager.*
1A Kiukiang Road.
SHANGHAI

19-325

HOW IS YOUR BONFIRE?

THE Carthaginians were the greatest traders of their time. These Carthaginians would sail along the Mediterranean with a boat load of merchandise until they reached the coast of Libya. There they would unload their cargo and then lighting a big bonfire near their goods would return to their ship.

The inhabitants drawn by the bonfire, would come out of their city to inspect their goods. If they liked the merchandise they would deposit a pile of gold nearby and retire behind their walls. The Carthaginians would again land, weigh the gold and if its value was adjudged sufficient to compensate for the value of the merchandise, they would take it and sail away. If insufficient they would load their cargo and sail away to other ports.

This bonfire was the first merchandise advertisement in history.

The Oriental Press Adv. Dept.

113 Avenue Edward Seventh, Shanghai

Current Market Reports

Weekly and Monthly Conditions and Quotations of China's Principal Markets.

Weekly Cotton Market Report

By A. B. Rosenfeld & Son

China Cotton:—The market has been active during the past week and a further material advance has been established, with a more general interest on the part of the outside public which freely enlisted on the Bull side, while among the more professional element the improvement in values has induced the liquidation of a good deal of long cotton.

While we have little confidence in the market, it would hardly be advisable to consider the situation from quiet as bearish a standpoint as we did during the previous break. At that time the outlook was bad and extreme bears were talking confidently of a further decline from the low level reached on the 21st December, 1921, while even among those who were bullish there were none who could have believed an advance of four taels in a fortnight as among the possibilities. The very fact that such an advance took place, like a thunderbolt out of a clear sky, brought about considerable modification of extreme ideas and has reacted on the general situation.

Meanwhile the bull clique are thoroughly elated and, with their big winnings behind them, it certainly looks for the moment as if prices might be put higher in sympathy with the rise in the Indian grades regardless whether the level may or may not prove to be warranted in the long run. Pending the action of both the "Indian Cotton" and local "Silver Exchange" markets, we hesitate to advise our friends against taking advantage of the speculative movement, but we think great caution is advisable in following the advance further.

Yarn.—The yarn market has had a steady undertone during the week with a slight weakness showing at the close. Trading between local dealers continued in fairly large quantities and a steady market is looked forward to for the near future.

Liverpool, January 5, 1922.

Liverpool Market:—

Middling American, Spot	11.29	Pence
,, ,, March	10.91	,,
,, ,, May	10.80	,,

Market:—*Steady.*

New York, January 5, 1922.

New York Market:—

March	18.30	Cents
May	17.86	,,
July	17.32	,,
October	16.48	,,
Spot	18.75	,,

Market:—*Steady.*

Bombay, January 5, 1922.

Bombay Market:—

Broach, F. G. April/May	Rps.	505	per Khandy,
Fully Good Bengal January	,,	327	,, ,,
Fine Oomra, January	,,	456	,, ,,

Market:—*Steady.*

Shanghai Market:—

Tungchow January	Tls.	34.00
Shanghai January	,,	30.50
,, M-ginned, January	,,	31.00
Taichong December	,,	32.50

Tone of the Market:—*Steady.*

The American Stock Market

The Chinese American Bank of Commerce has received the following telegraphic quotations, dated New York, January 4, 1922.

American Stocks

Liberty Bonds	3rd	4½'s 1928	97.30
Victory Bonds		4¾'s 1922-23	100.00
American Telephone and Telegraph Convertible		6's 1925	108⅜
Standard Oil Co. of New York		7's 1931	106½
New York City		4¼ 1965	104¼
British-American Tobacco Co., Ltd. Common			13¼
Pacific Development Corporation Stock			8⅛

Weekly Silk Market Report

China Steam Filatures: A few bales have changed hands for Europe, on the basis of Tls 1530 for Factory 9/11 Denier. Merchants are rather reluctant to contract for fine sizes, and we understand there are still a few orders to be filled. America remains inactive, with no inquiry.

Tsatlees: Remains quiet, with only a few bales of Market Chops changing hands.

Tussahs: Remain firm, and, although no local business has been reported, we understand a few hundred bales have been sold to Japan, at about Tls. 830.

The following purchases have been reported during the week:

10 B/s	China Steam Filature	Cock	12/22 X. I	Tls.	1320
10 ,,	,, ,, ,,	Centaure	11/13 X. I	,,	1430
20 ,,	,, ,, ,,	Factory	9/11 X. I	,,	1530
10 ,,	,, ,, ,,	Bayard	9/11 X. I	,,	1480
10 ,,	,, ,, ,,	Centaure	9/11 Y. I	,,	1470
20 ,,	,, ,, ,,	Fisher	12/22 X. I	,,	1330
20 ,,	,, ,, ,,	Griffon	12/22 X. I	,,	1320
20 ,,	,, ,, ,,	Three Dancers	9/11 X. I	,,	1450
10 ,,	,, ,, ,,	S. F.	9/11 X. I	,,	1360
20 ,,	,, ,, ,,	Pasteur	11/13 X. I	,,	1370
10 ,,	,, ,, ,,	Wilson	16/18 X. I	,,	1200
10 ,,	,, ,, ,,	Blue Dragon	11/13 X. I	,,	1320
20 ,,	,, ,, ,,	Gold Star	13/15 X. I	,,	1180
20 ,,	,, ,, ,,	Camel	11/13 X. I	,,	1200
10 ,,	,, ,, ,,	Huchow Mountain	9/11 X. I	,,	1390
20 ,,	,, ,, ,,	Blue Dragon	11/13 X. I	,,	1350

" " " "	W. T. K.	11/13 X. 1	"	1500
" " " "	Double Leopard	10/12 X. 1	"	1460
" " " "	Arch of Triumph	11/13 X. 1	"	1400
" Tsatlees New Style	Soilel	1	"	1125
" " " "	Cicada	1	"	1100
" " " "	Cicada	X. 1	"	1125
" Meinyang Silk	S. C	1-2-3	"	497
" Yellow Silk	Meinchow		"	530
" Tussahs Filatures	Apricot Flower	1-2	"	805
" " "	Double Dragon	1-2	"	805
" " "	Camel	1-2	"	805

Shipment up to January 3, 1922.

	Season 1921/1922	Season 1920/1921
White Steam Filature	15425 B/s	11870 B/s
Yellow Steam Filature	5993 "	401 "
White Silks	5089 "	4539 "
Yellow Silks	9464 "	7679 "
Tussahs	6054 "	3629 "

Yokohama: Reports market firm with upward tendency.

Japanese Report:

Outlook for Raw Silk

The raw silk market has been greatly active and has ...n much beyond the previous expectation, and it is a ...tter of congratulation that the disposal of the Imperial ...k Co.'s holdings to the extent of 2,000,000 kin has not ...ickened the prices, but they are only tending to strengthen ...n, says T. Ozawa, the proprietor of the Ozawa-gumi. ...s very hard to predict how the market will tend hereafter. ...eems to be true that the demand for silks in America shows ...reat improvement; yet the present activity of raw silk trade ...h that country cannot be considered as only due to this, ...to too much excitement of the feelings in the American ...ket caused by the satisfactory progress of the Washington ...ference and to some speculative buying made by American ...vers in expectation of better tradal conditions. Some ...le observe, therefore, that if the demand for silks there ...uld not come up to the present anticipation upon the end ...e Washington Conference, the prices would decline ...rely as a reaction from their past great advance. This ...st be thought as quite an erroneous view. It may be ...d, however, that America will be the country to be most ...orably affected by the Washington Conference, especially ...the disarmament question, for her national burden will ...greatly lightened by it in the interior and the recovery of ...de in England. France and Italy consequent upon the ...sion will tend to greatly increase her trade with Europe, ...rich enliving her economic world. In this expectation, the ...erican demand for silks will never fall off, if not ...reased, and this will keep up the price of raw silk at least ...the present level.

Shipments

...son 1921/1922	(July 1st to December 24th)	139,000	B/s
" 1920/1921	"	59,000	"
" 1919/1920	"	150,000	"

...ay, December 15, 1921.

Market: During the fortnight under review transactions ...ounted to approximately 2800 bales for America and 400 ...les for Europe, at prices which leave the Chinese a very ...w margin indeed. However, at the close our market has ...ded down considerably, due, first of all, to news received ...m Yokohama of the Syndicates' sale of 20,000 bales, and ...ar as business with Lyons is concerned, to the drop in the ...nc exchange rate. Although some dealers are prepared ...make concessions, the majority of the holders seem to be ...ite confident of the near future of our market, in view of ...e fact that remaining supplies are estimated at 7000 bales ...ay.

Shipments

...son 1921/1922	(May 1st to December 15th)	31,700	B/s
" 1920/1921	"	10,500	"
" 1919/1920	"	26,500	"

Shanghai Exchange for week ending Wednesday, January 11th, 1922

By Maitland, Fearon and Brand

Exchange:—The London price of silver at 35½d. is one penny higher than last week; Out rate for T/T on London at 3/6½ is 1/d. higher. There has been very little exchange business in conection with Imports or Exports passing. Our rates have been firm for early on Interbank transactions in connection with arrangement of funds over Chinese New Year, augmented by selling orders in our market from Hongkong To-day our market is easier, with the official rate only offering for this month and 3/5¾ February. Native money also shows an easier tendency.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver..... Tls. 30,432,000 an increase of Tls. 850,000.

Chinese and Mexican Dollars .. $ 21,910,000 a decrease of $ 830,000.

estimated value in Tls. 46,207,000 as against Tls. 56,016,000 held at this time last year.

†	Average rates for Dec.	Thurs. Jan. 5	Friday Jan. 6	Sat. Jan. 7	Mon. Jan. 2	Tuesday Jan. 3	Wed. Jan. 4
Bk's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	3/7.060	3/5	3/5 3/6	3/6 3/6½	3/6⅛	3/7	3/7 3/6½
D/Dtts. "	—	3/5¼	3/5¼ 3/6¼	3/6¼ 3/6¾	3/6⅜	3 7⅛	3/7¼ 3/6¾
4m/s "	—	3/5½	3/5½ 3/6½	3/6½ 3/7	3/7	3/7½	3/7½ 3/7
T/T India	270.730	256¼	257¼ 263½	263¼ 266½	266½	269⅜	269⅜ 266½
T/T France	957.600	895	900 925	920 930	930	925	915 905
T/T N. Y.	74.370	71¾	71½ 73¼	73½ 74½	74½	75½	75¼ 74⅝
T/T H'kong	2.150	74	74⅜ 74½	75 75	75	75½	74½ 74½
T/T Japan	64 700	66⅜	66⅜ 65	65½ 64¾	64¾	63½	63½ 64½
T/T Batavia	209 410	198½	198½ 203½	203½ 206	206	208¼	209 207
T/T Straits	65 280	68	68 66¼	66¼ 65½	65½	64⅜	64⅜ 65½
Bk's buying rates							
4m/s B/L. Cred. D/A	3/10.060	3/8	3/8 3/9	3/9 3/9½	3/9½	3/10	3/10 3/9½
4m/s " D/P	—	3/8½	3/8½ 3/9½	3/9½ 3/10	3 10	3/10½	3/10½ 3/10
6m/s " "	3/11.310	3/9¼	3/9¼ 3/10¼	3/10 3/10⅝	3/10⅝	3/11¼	3/11 3/10⅝
4m/s " "							
4m/s B/F. C., D/A, D/P	1,057 600	995	1000 1025	1020 1030	1030	1025	1015 1005
4m/s N.Y. Lc.	81.370	78⅜	78½ 80¼	80½ 81½	81½	82½	82¼ 81¾
4m/s " Docs	—	79½	79¼ 81	81¼ 82½	82½	83¼	83 82½

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Jan. 5	Jan. 6	Jan. 7	Jan. 9	Jan. 10	Jan. 11
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence.	34⅞	34⅜	34⅞	34¾	35⅛	35½
	G. $. 65	G. $. 64¼	G. $. 64⅞	G. $. 64⅞	G $. 66¼	G. $. 66⅜
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch	Tls. 321⁷⁰	Tls. 319⁵⁰	Tls. 319⁸⁰	Tls. 317⁸⁰	Tls. 316⁶⁰	Tls. 318⁰⁰
Shanghai Silver Bars (weight Tls. 100 (C.) 999 touch)	111⁰⁰	111⁰⁰	111⁰⁰	111⁰⁰	111⁰⁰	111⁰⁰
Shanghai Mexican Dollars per $100	72.75	72.525	72 5125	72.425	72.45	72.4375
Native Bank Rate of Interest (Callmoney)	5%	8%	6½%	6%	5½%	4½%

*Closing' Price in London for Previous day.

Bank of England rate of discount		5½%	
Bank of France rate of discount		5%	
London open Market rate of Discount	3 m/s.	3 1/16%	
" "	4 m/s.	3 1/16%	
" "	6 m/s.	3 1/16%	

London on Paris	T/T 50.86
London on Germany	T/T 740
New York on London	T/T 423
Bombay on London	T/T 1/3 15/16
Hongkong on "	T/T 2/7¼
Yokohama " "	T/T 2/3 1/16

What the Ships Carry Between America and China

(Taken from the Daily Returns of the Shanghai Customs from Monday, December 19, to December 23, 1921)

(Key: Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; M.le—thousands; Hk. Tls.—Haikwan Taels, Customs Rate Dec. Tael 1.17 equal Gold $1)

S. S. Korea Maru, December 12.

To Boston.

Wool, Sheep's	Pls.	1,459

To New York.

Silk, Raw, Re-reeled:		
White, other Ports, Bls. 20	Pls.	20.63
Silk, Raw, Filature:		
Wild, other Ports, Bls. 22	Pls.	22.15
Straw Braid, White	,,	17
Wool, Sheep's	,,	1,196

To Philadelphia.

Wool, Sheep's	Pls.	1,518

To San Francisco.

Tea, Black, Hankow	Pls.	10
Tea, Black, Kiukiang	,,	19
Tea, Green:		
Gunpowder, Ningpo	Pls.	14
Intestines, Pig	,,	5
Walnuts in Shell	,,	375
Walnuts, Kernels	,,	50
Carpets	Pcs.	15
Skins, Squirrel	,,	3,385

S. S. Empire States, December 10.

To Baltimore.

Egg Albumen, Dried	Pls.	168
Egg Yolk, Dried	,,	169

To Chicago.

Intestines, Sheep	Pls.	6

To Honolulu.

Books, Printed	Pls.	6

To Los Angeles.

Carpets	Pcs.	2

To New York.

Silk Pongees, Shantung	Pls.	14.42

To San Francisco.

Silk Piece Goods	Pls.	0.45
Books, Printed	,,	25
Intestines, Pig	,,	21
Oil, Wood	,,	420
Walnuts, in Shell	,,	1,965
Walnuts, Kernels	,,	223
Carpets	,,	39

S. S. Hawaii Maru, from U. S. A., Nov. 26.

Copper Ingots	Pls	1,680
Flour, Wheat	,,	919
Wax, Paraffin	,,	2,945
Motor-trucks	Pcs.	5
Machinery	Hk Tls.	5,676

S. S. Hawaii Maru, December 9.

To New York.

Skin Clothing, Kid	Pcs	6,000

To Portland.

Carpets	Pcs.	45

To Seattle.

Egg Albumen, Dried	Pls.	7
Egg Albumen, Frozen	,,	908
,, Whole, Dried	,,	403
Egg Yolk, Dried	,,	56
Egg, Whole, Frozen	,,	410
Oil, Wood	,,	872

S. S. Toba Maru, from U. S. A., November 25.

Alumina, Sulphate of	Pls.	750
Cotton, Raw, Bls. 1,175	,,	4,120
Rum	Galls.	5,673
Machinery	Hk. Tls.	39,056

S. S. Empress of Russia, December 10.

To Chicago.

Silk, Raw, Filature:		
White, Shanghai, Bls. 156	Pls.	157.05
Tea, Green:		
Hyson, other Ports	Pls.	205

To Darby.

Silk, Waste:		
Other Ports, Bls. 60	Pls.	187.11

To New York.

Silk, Raw, Re-reeled:		
White, other Ports, Bls. 131	Pls.	138.14
Yellow, Hankow, Bls. 3	,,	2.95
Silk, Raw, Steam Filature:		
White, Shanghai Bls. 455	Pls.	456.29
Silk, Raw, Filature:		
Wild, other Ports, Bls. 50	Pls.	49.99
Silk Pongees, Honan	,,	9.11
Silk Pongees, Shantung	,,	8.47
Straw Braid, Mottled	,,	25
Straw Braid, White	,,	69
Skin Crosses, Kid	Pcs.	2,635
Carpets	,,	110

To Scranton.

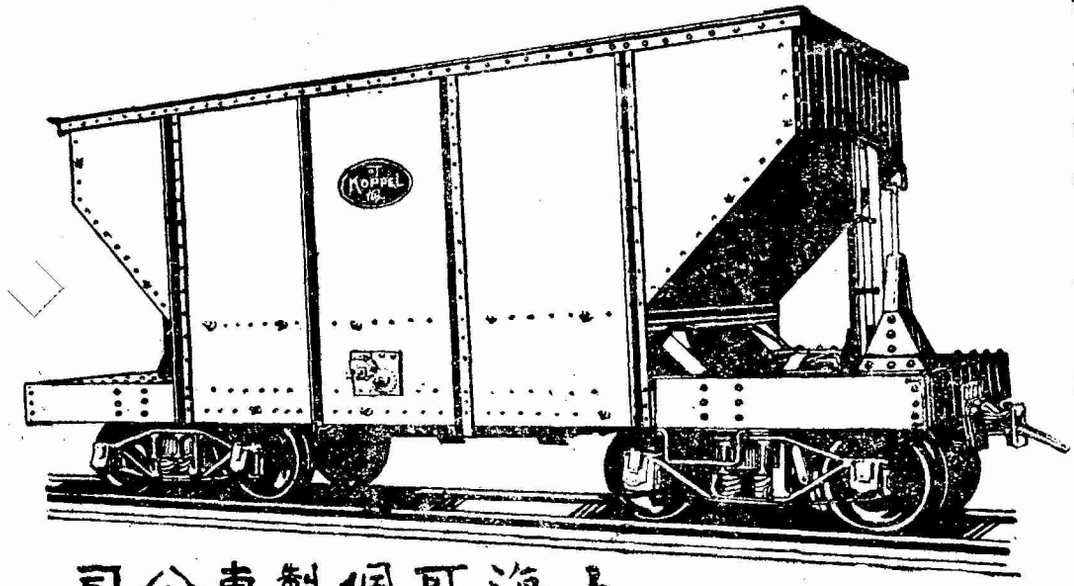
Silk, Raw, Re-reeled:		
White, other Ports, Bls. 25	Pls.	24.72

To Whitehall.

Silk Cocoons, Pierced:		
Shanghai, Bls. 31	Pls.	92.64
Other Ports, Bls. 3	,,	8.38

To Windsor.

Carpets	Pcs.	31



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New Books and Publications

Roads to Peace

Roads to Peace, A Handbook to the Washington Conference. New York: The Republic Publishing Company: 1921.

A SYMPOSIUM of opinion with regard to the various phases of the Washington Conference is contained in *Roads to Peace, A Handbook to the Washington Conference*, issued by the *New Republic*. The pamphlet is the second of a series under publication by this journal and appeared first as a supplement to its issue of November 16, 1921. The material contained in the work can best be described by quoting its table of contents: The Meaning of the Conference, by Herbert Croly; Public Opinion in Japan, by John Dewey; The British View, by George Glasgow; What France Wants, by Sisley Huddleston; A Japanese Rebuttal, by Bruce Bliven; Private Enterprise and Public War, by Manley O. Hudson; A Baedeker to the Conference, by Frank J. Taylor; Sea Power in the Pacific, a review of the book of Stanley Bywater, by Stark Young. The pamphlet is a necessity to the individual attempting to keep a record of opinions and events with regard to the Conference. Particular attention should be given to "A Baedeker to the Conference" by Frank J. Taylor, which contains the Borah Resolution from which the Conference emerged, the State Department rejoinder, the text of indentical invitations to the Powers, the invitation to China, acceptances received, Belgium, Portugal and Holland invited, official text of the agenda, the make-up of the delegations, British, British Colonial, Japanese, French, Italian, Chinese, Belgian, Dutch, Portugese, unofficial. This record is a necessity to a clear understanding of what has happened since the beginning of the Conference, who the leading figures are, and what is actually on the agenda. The latter is particularly interesting in view of the assertion recently made by Hanihara of the Japanese delegation to the effect that the Shantung question was not on the agenda.

The Chinese Recorder for January, 1922

THE atmosphere of the January Recorder like that of China is electric with the stir of Chinese responsibility. In politics, education and religion is manifesting itself a significant demand on the part of the Chinese to be recognized as of those who achieve. How far this is true is a moot point, but the trend is irresistible.

In this connection W. A. Mather sets forth an overwhelming case for self-support,—a record of theories and results.

A common-sense presentation by Miss Jane Shaw Ward of "The Place of Women in the Church" is begun in this number and neighbor to it stands a report of the number of women delegates so far chosen for the National Christian Conference. In spite of a general feeling of protest against dividing the work of the Kingdom into men's and women's sections there still remains need of reminding us that if women have a responsibility for service to church and country as well as to home, they have a right to an adequate preparation for that service.

"The future of Europe is bound up with Asia. . . ."
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A thought-provoking contribution is made by Dr. Frank L. Norris in "The Quest of Unity." No one but a hardened denominationalist can fail to be moved by the sincere plea of the Anglican Church that all Christians seek humbly for God's terms of union—or reunion. "It is in truth an adventure of good will and still more of thrift."

Editorially the Chinese Church, Chinese women, the message and the new spirit of this land find discriminating appraisal. Truly that which has spiritual dynamic is of God and cannot be confined.

Outline for the Study of Current History, Finance and Commerce of China

by

C. F. REMER, M. A.,

Professor of Economics, St. John's University

and

DONALD ROBERTS, M. A.,

Professor of History, St. John's University

This outline, primarily for the use of middle schools and colleges, is based upon the Review for last week. It is not intended that the whole of the outline be used but that those topics be selected that are found be to adapted to the class.

1. International Affairs

1. The Shantung Question Again.

Read the article on pp. 231-232.

Questions. 1. Is Japan willing to let China have the Shantung Railway upon China's paying for it? 2. What are the terms Japan insists upon? 5. Look up the word "amortize" in the dictionary. (Of the words "mortal", "mortality", "mortify": all these words come from the Latin root *mort-*, which literally means *death*. It is often possible by remembering such words to understand the meaning of new words which you meet.) 4. What are the differences between the Japanese and the Chinese terms suggested for the settlement of the railway question? 5. Do you agree with the statement that "under the spur of patriotism the Chinese, who are well to do individually, will not find it hard to raise by subscription 53,000,000 Gold Marks to redeem the railway"? 6. Do the Chinese delegates at Washington deserve blame or praise for their work so far? 7. What is the "sensible attitude" of the people of China of which the writer speaks? 8. Is there truth in the recent rumors that Peking has begun secret negotiations with Japan?

2. America and the Conference.

Read the article by John Dewey pp. 233-235.

Questions. 1. The writer speaks of American optimism in regard to the Conference. What does he say of this optimism? 2. Discuss the statement that "it is more important to note what isn't done and said than what is said" at the Conference. 3. State Japan's attitude towards a reduction of armament. What is Dr. Dewey's analysis of this attitude? 4. Read carefully the sentence on p.235 which begins "There has been a cryptic intimation," and also the sentence that follows it. Try to understand clearly what is meant and express it in your own words. 5. "The only successful way to regulate the future is by dealing with conditions that now exist." Do men always or usually act upon this principle? Make a concrete illustration with reference to the present Conference at Washington. How does it apply to China? 6. Sum up the purpose of this article.

3. News of the Conference.

Read the summary of the week's news on pp.235-237.

Questions. 1. Discuss the statement of Mr. Hanihara regarding Shantung. What is its argument? 2. What point has France insisted on in respect to disarmament? What has been England's attitude on this same matter? 3. What is the significance of the phrase "malicious fabrication"? In regard to what is it used here? 4. Compare your view of the Conference at the present time with the fears or expectations you had of it before it met. Did you expect great results of it? 5. When is the Conference expected to come to an end? 6. What is the present situation in regard to the island of Yap? Why is Holland interested? Examine a map of the Pacific Islands.

4. The Week in the Far East.

Read the summary which begins in this issue on p.237.

Questions. 1. State two reasons which are given for the downfall of the Cabinet of former Premier Chin Yung-peng. 2. What action has the new Cabinet taken since its formation? 3. Has Chang Tso-ling succeeded in getting the control over the government which he is believed to have sought? 4. What is the nature of the present fighting in Siberia, and what is its cause? 5. Does the quotation given from the *Japanese Advertiser* indicate anything unusual in regard to ship-building in Japan at present? 6. Has Japan a financial hold upon the Maritime Province of Siberia? 7. What is the most important recent event in the Philippines?

2. Domestic Affairs

1. The New Cabinet.

Read the editorial on p.230.

Questions. 1. "Notwithstanding harsh criticisms made by a section of the press, Prime Minister Liang had gathered round him men of ability and experience." Do you agree? 2. Only a few weeks ago the Ministry of Finance was considered to be bankrupt. Has the situation changed very greatly or is it still very precarious?

2. Sun Fo, Mayor of Canton

See page 244. Refer back to the article Canton's Municipal Progress in the *Review* for Dec. 3,1921, which gives the text of the municipal charter of the city of Canton.

Topic for a theme: The Mayor of Canton.

3. Commerce and Finance

Topic 1. Agriculture and National Life

Read the article by Dr. K. L. Butterfield on pp. 332-33.

Questions: 1. Do you agree that business men do not realize as they should the importance of the farmer? 2. How do you account for this failure on the part of the business men? 3. What reasons are given to show this importance? 4. What has been the effect of the war upon this matter? 5. What is the meaning of the phrase, "raw materials?" Name some of the raw materials that are the products of agriculture and some that are not? 6. Why is it important for the nation to know whether the farmers are making the best use of the land of the nation? 7. Who are the largest buyers of automobiles in the United States? In China? 8. What is the relation of the farmers to politics in the United States? In China? 9. Why does Dr. Butterfield mention the American Bankers' Association, the paper called "The Banker Farmer"? 10. What are some of the problems of Chinese agriculture that are named? 11. What do you think of the general statement that the business men should take a greater interest in the farmers?

Topic 2. Government Finance at Hankow.

Read the news item on p. 264 in which the statement is made that $1,200,000 are required for the Chinese New Year by the military authorities in Hupeh. Read the other news items from Central China that deal with the subjects mentioned in the item referred to.

Questions: 1. What are the sources from which these funds are expected? 2. What other comment is there upon the the procuring of the funds from the stamp duty department? 3. Why do the business men object to the acceptance of the stamps at the present time? 4. What is the attitude of the merchants toward the proposal that funds be secured through the wine and tobacco revenue department? 5. What is said to be the relation between the military authorities and the Peking-Hankow line? 6. What is said to be the present state of the work on the Szechuen Railway west of Hankow? 7. What reason is given for this?

Topic 3. Trading with Asia.

Read the book review on p. 270.

Questions: 1. What is the subject that this book deals with? 2. What subjects are covered by the book? You will find them listed in the fine print toward the end of the first column. 3. Why are foreign business men interested in these subjects? 4. What is the author's position? 5. Does it qualify him to write upon this subject? 6. Do you know of any work of this kind in Chinese which tells the Chinese business men about trade with America?

The United States Court for China

(Established by Act of Congress of June 30, 1906).

JUDGE, Charles S. Lobingier.

DISTRICT ATTORNEY, Chauncey P. Holcomb.

COMMISSIONER, Ferno J. Schuhl.

CLERK, William A. Chapman.

DEPUTY CLERK, L. Macoubrey.

MARSHAL, DISBURSING OFFICER, } Nelson E. Lurton.

DEPUTY MARSHAL, Wm. Van Buskirk

OFFICE HOURS 9-1; 2-5.

TIENTSIN:

DEPUTY MARSHAL, William T. Collins.

All Notices, Announcements, Judgments, Orders and other Proceedings appearing in this department of THE WEEKLY REVIEW may be accepted as authentic.

Motion Day.

All contested motions and demurrers will hereafter be heard on Mondays, beginning at 3 P. M.; provided notice thereof with proof of service on the adverse party or his attorney shall have been filed in the Clerk's office by 1 P. M. of the preceding Saturday.

Minutes of Recent Proceedings

Hearings:

(Before the Commissioner)

Jan. 7, 1922, Cause No. 1597, U. S. v. Smith; plea of guilty.

" 7, " " " 1508, Lee Chong & Son v. U. S. Trading Corporation; default entered; no appearance on part of defendant.

AMERICAN TRADING CO., A CORPORATION, PLAINTIFF IN ERROR, v. A. T. STEELE, DEFENDANT IN ERROR.

(Continued from last week)

There is another line of authorities which seem to hold that a contract to do work not involving personal taste or feeling, to the satisfaction of the adversary party, means that the work must be so done that the adversary party, if a reasonable man, would be satisfied therewith. [4]

But, after all, the true meaning of the contract is one for construction depending upon the nature and character of the thing stipulated to be done, as well as the chief purpose the parties had in mind, to accomplish the end designed.

> "Where the chief thing the parties have had in mind was to effect some definite purpose or end, of the performance of which others could judge just as well as the parties could, and which involved no considerations strictly personal, the stipulation that it should be done to the satisfaction of the party has been generally held not to be controlling." [5]

In the case at bar the employment was conditioned upon the work being done "in an efficient and satisfactory way"—not to the satifaction of the employer. The services to be performed were those of an accountant. They were not of a character personal to the employer unless made so by apt stipulation; nor were they addressed to the judgment of a particular person or to the employer solely. The were such, considering the end to be accomplished, that others could as well judge of the character of performance as the employer. The expression "efficient and satisfactory way" is by no means the equivalent of "satisfactory to the employer;" and, if the parties had desired that the latter meaning should be incorporated in the contract, it would have taken but a stroke of the pen so to express it. That not having been done, we must take it that the plain meaning of the expression used was the one intended. The trial court was therefore not in error in its construction of this clause in the contract. Its finding that plaintiff has not breached the contract in the light of this clause is one of fact, which it is not in the province of this court to disturb, the evidence being such as tends to support it.

III

Defendant further insists that it was entitled to judgment dismissing the action, upon the pleadings, in pursuance of its motion to that effect. The motion was interposed after the plaintiff had put in his evidence. The ruling of the court was reserved until final consideration, but the motion was eventually denied.

4. 3 Page on Contracts, sec. 1390.
5. Frary v. American Rubber Co., 52 Minn. 264. To a like purpose, see McNeil v. Armstrong, 81 Fed. 943, where the distinction is characterized between the two classes of cases.

Judgments and Orders:

Jan. 7, 1922, Cause No. 1597. U. S. v. Smith; cautioned and dismissed.

„ 7, „ „ „ 1508, Lee Chong & Son v. U. S. Trading Corporation; judgment in favor of plaintiff, Taels 490 and costs.

Miscellaneous Filings:

Jan. 5, 1922, Brimberg Brothers, Inc.; articles of incorporation.

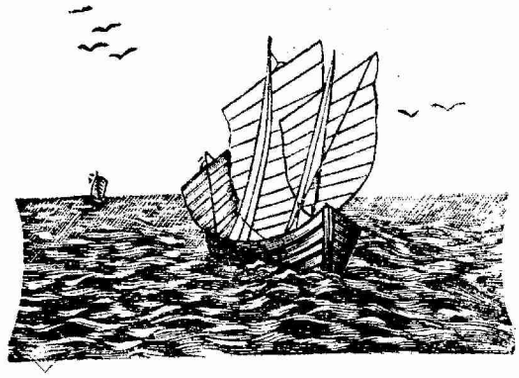
„ 5, „ Cause No. 1577, U. S. v. Steinberg; marshal's return of warrant of arrest.

„ 6, „ „ „ 1582, Korff v. Sternberg; marshal's return of summons to answer.

„ 7, „ „ „ 1597, U. S. v. Smith; complaint.

„ 7, „ „ „ 1508, Lee Chong & Son v. U. S. Trading Corp'n; judgment.

„ 9, „ „ „ 1590, Hall & Holtz v. Greenstone; motion; order of dismissal.



It is urged that section 69 of the Alaska Code as adopted by Act of Congress of June 6, 1900 (31 Stat. 343), is applicable for determining the question presented. But conceding, without deciding, that the Alaska Code is controlling in the United States Court for China, we are of the opinion that plaintiff is not precluded by his failure to reply to the tenth paragraph of the answer. The plaintiff in his complaint alleges that defendant "wrongfully, improperly, and without cause or reason, on or about March 17, 1919, dismissed and discharged the plaintiff," and thereby breached its contract of employment with plaintiff.

Paragraph 10 of the answer alleges that the services rendered by plaintiff

> "were neither satisfactory nor efficient, as required in the contract, * * * and that the said plaintiff in the performance of his alleged duties was inefficient, negligent and insubordinate to his superiors."

By the provision of section 69, *supra*, the defendant is entitled to judgment on the pleadings if the plaintiff fails to reply to new matter in the answer constituting a defense. Upon principle, it is essential that the new matter be material and constitute a defense to the action set up by the complaint. If the practical issue were already tendered by the complaint and answer, then, of course, it could not be material, becaue it would be tantamount to a presentation of the same issue twice.

Upon the contract, as we have construed it, the defendant had the right to discharge plaintiff for inefficiency, or for having done his work in an unsatisfactory way, and even it may be for insubordination. But when plaintiff alleged that he was wrongfully and improperly discharged, without cause or reason, he opened the way for defendant to show to the contrary, to the very extent that plaintiff was inefficient and insubordinate, and that he did his work in an unsatisfactory manner; so there was no need of further presentation of the issue in the pleadings. [6]

This disposes of the question on a legal assumption most favorable to the defendant. But it is doubtful whether a reply is required at all under the practice prevailing in the China court. The trial court was of the view that it is not so required. We do not have access to the rules. The provisions of section 5 of the act creating United States Court for China, however, lend color to the view. [7]

IV

The next question presented relates to the alleged arbitration. Is it a bar to plaintiff's recovery? The agreement for submission is singularly brief. It is.

> "We, the undersigned, agree to the arbitration of our differences by the Honorable Mr. Potter."

6. Watkinds v. Southern Pac. R. Co., 38 Fed. 711; Persse v. Gaffney 23 Colo. 245, 47 Pac. 293; Dueber v. Wolfe 47 Wash. 634, 92 Pac. 455; Muskogee Vitrified Brick Co. v. Napier 34 Okla 618, 126 Pac. 792.

7. 34 U. S. Stats. at Large 814, 816.

(*To be continued next week*)